

CITY OF FORT LUPTON, COLORADO



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024

**CITY OF FORT LUPTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	i
PRINCIPAL OFFICIALS	iii
ORGANIZATIONAL CHART	iv

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES	15

GOVERNMENTAL FUNDS

BALANCE SHEET	16
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	18

PROPRIETARY FUNDS

STATEMENT OF NET POSITION	20
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	22
STATEMENT OF CASH FLOWS	23

NOTES TO FINANCIAL STATEMENTS	25
--------------------------------------	-----------

REQUIRED SUPPLEMENTARY INFORMATION

GOVERNMENTAL FUNDS

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	58
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	60

**CITY OF FORT LUPTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

SUPPLEMENTARY INFORMATION

GOVERNMENTAL FUNDS

BUDGETARY COMPARISON SCHEDULE - CONTINGENCY FUND	62
BUDGETARY COMPARISON SCHEDULE - STREET IMPROVEMENT SALES TAX FUND	63
BUDGETARY COMPARISON SCHEDULE - WATER SALES TAX FUND	64

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET	65
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	66
BUDGETARY COMPARISON SCHEDULE - CONSERVATION TRUST FUND	67
BUDGETARY COMPARISON SCHEDULE - PERPETUAL CARE CEMETERY FUND	68
BUDGETARY COMPARISON SCHEDULE - MEMORIAL TRUST FUND	69

PROPRIETARY FUNDS

UTILITY ENTERPRISE FUND – SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL	70
STORM WATER DRAINAGE ENTERPRISE FUND – SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL	73
RECREATION CENTER ENTERPRISE FUND – SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL	74
GOLF COURSE ENTERPRISE FUND – SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BUDGET AND ACTUAL	75

**UTILITY FUND WATER AND WASTE WATER FINANCIAL STATEMENTS
SEPARATELY PRESENTED**

STATEMENT OF NET POSITION	77
----------------------------------	-----------

**CITY OF FORT LUPTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	79
STATEMENT OF CASH FLOWS	80
COMPONENT UNITS	
PUBLIC AND SCHOOL LIBRARY FUND – BALANCE SHEET	83
PUBLIC AND SCHOOL LIBRARY FUND – RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION	84
PUBLIC AND SCHOOL LIBRARY FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGETARY COMPARISON SCHEDULE	85
PUBLIC AND SCHOOL LIBRARY FUND – RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF NET POSITION	86
FORT LUPTON URBAN RENEWAL AUTHORITY - BALANCE SHEET	87
FORT LUPTON URBAN RENEWAL AUTHORITY – RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION	88
FORT LUPTON URBAN RENEWAL AUTHORITY – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGETARY COMPARISON SCHEDULE	89
FORT LUPTON URBAN RENEWAL AUTHORITY – RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES	90
STATISTICAL SECTION	
GOVERNMENT-WIDE NET POSITION BY CATEGORY	93
GOVERNMENT-WIDE CHANGES IN NET POSITION	94
FUND BALANCES – GOVERNMENTAL FUNDS	97
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE	98
SALES TAX BY CATEGORY	99
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	100
PROPERTY TAX OVERLAPPING MILL LEVEY	101

**CITY OF FORT LUPTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

PROPERTY TAX LEVIES AND COLLECTIONS	103
PRINCIPAL PROPERTY TAXPAYERS	104
RATIO OF OUTSTANDING DEBT BY TYPE	105
RATIO OF GENERAL BONDED DEBT OUTSTANDING	106
PLEGGED REVENUE COVERAGE	107
DIRECT AND OVERLAPPING GENERAL BONDED DEBT	108
DEMOGRAPHIC AND ECONOMIC STATISTICS	109
PRINCIPAL EMPLOYERS	110
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION	111
MISCELLANEOUS STATISTICS	112
COMPLIANCE SECTION	
LOCAL HIGHWAY FINANCE REPORT	114
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	116
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	118
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	121
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	122
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	123

INTRODUCTORY SECTION

June 30, 2025

Members of the Council
Of the City of Fort Lupton, Colorado

State Law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Fort Lupton (the City) for the fiscal year ended December 31, 2024.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

CliftonLarsonAllen, LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City is located in Weld County along State Highway 85 approximately 30 miles north of Denver. Fort Lupton encompasses 14.26 square miles and serves approximately 9,721 residents.

The City is the oldest continuously inhabited settlement in Weld County, founded in 1836 as a trading post on the banks of the South Platte River and was incorporated in 1890. The City operates under the council-manager form of government. Legislative and policy making authority is vested in the City Council, consisting of a mayor and six council members. The mayor is elected at large and the council is elected by wards. The mayor and council members are elected to four-year staggered terms with three to four members being elected every two years.

The Council is responsible for passing ordinances, adopting the annual budget, appointing committees, hiring the city administrator, clerk, attorney and judge. The city administrator is responsible for carrying out policies and ordinances passed by the council and appointing heads of departments to oversee the operations of the City.

The City provides a range of services to its residents including: police protection courts, municipal water, sanitary sewer and storm water, construction and maintenance of streets, parks and trails, recreation center and golf course facilities, cultural events, planning, development, code enforcement and general government services.

LOCAL ECONOMY

The City's general fund revenues are derived 27% from sales taxes and 42% from property tax. These taxes are used to provide services such as police, parks, municipal court, planning and economic development, and general governmental services. In addition to services the tax revenue in the general fund also provided for street maintenance and repair and the purchase of water. The major sources of tax revenue within the City are oil & gas, grocery stores, auto sales, and restaurants.

Four of the top ten major employers in the City are in the oil and gas industry or related services. The property tax valuation for 2023, taxes collected in 2024, increased 26%, due to the decrease in oil & gas extraction within the City. Sales Tax increased 5% in 2024.

LONG-TERM FINANCIAL PLANNING

The annual budget and the six-year capital improvement plan are the tools used by the City to project cash flows needed for improvements. Every department of the City is required to submit a capital request and six year improvement plan by the end of July and a budget request for the following year, by the beginning of September. The Finance Department presents the budget to the City Administrator and Council for review and amendment before October 31st. Public hearings are held and the Council adopts the budget before December 15th.

The City monitors the budget throughout the year and adjusts as necessary to provide services and infrastructure improvements.

Sincerely,

Leann Perino
Finance Director

CITY OF FORT LUPTON

PRINCIPAL OFFICIALS AS OF DECEMBER 31, 2024

CITY COUNCIL

Zo Stieber
Mayor
At-Large

Valerie Blackston
Council Member
Ward 1

Chris Ceretto
Council Member Ward 2
Mayor Pro-Term

Michael Sanchez
Council Member
Ward 3

David Crespin
Council Member
Ward 1

Claud Hanes
Council Member
Ward 2

Bruce Fitzgerald
Council Member Ward 3
Ward 2

LEGAL AND COURT

Andrew Ausmus
City Attorney

Frederick M. Goodbee
Municipal Court Judge

CITY ADMINISTRATION

Chris Cross
City Administrator

Maricela Pena
City Clerk

Jeanelle Anderson
Court Coordinator

William Carnes
Interim Police Chief

Beth Ann Gudmestad
Library Director

Tyler Tarpley
Golf Course Manager

Todd Hodges
City Planner
Todd Hodges Designs, LLC

Leann Perino
Finance Director

Travis Aksamitowski
Internal Technology Director

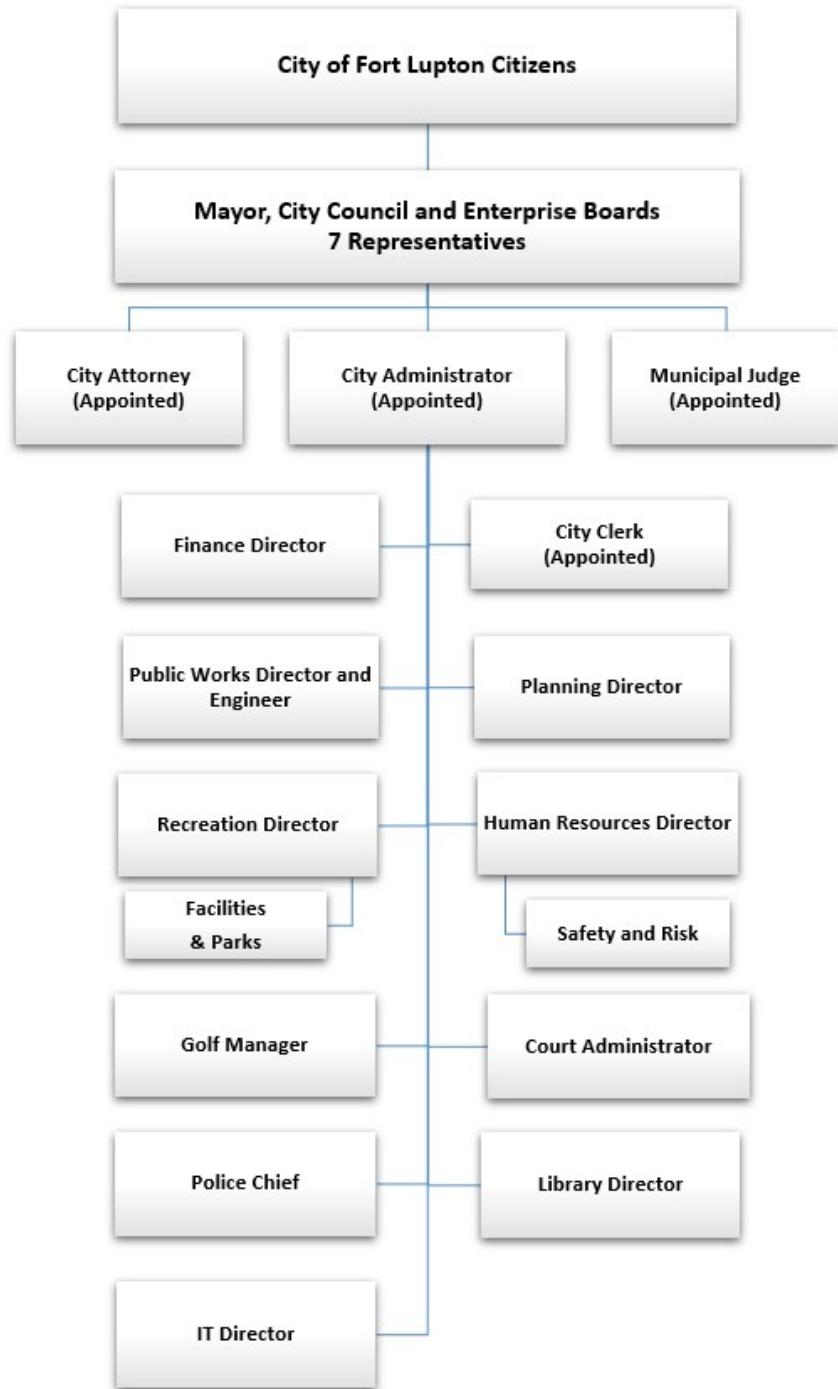
Amanda Rice
Human Resource Manager

Doug Cook
Recreation Director

Roy Vestal
Public Works Director/
City Engineer

Aaron Richardson
Wastewater/Water Plant
Operator – OMI

CITY OF FORT LUPTON
2024 ORGANIZATIONAL CHART



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

City Council
City of Fort Lupton
Fort Lupton, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fort Lupton, Colorado (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the general fund and the culture, parks, and recreation fund, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the local highway finance report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

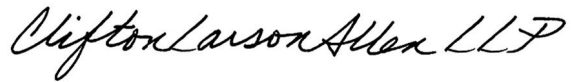
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Denver, Colorado
June 30, 2025

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

This discussion and analysis of the City's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the transmittal letter and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's financial position continues to be strong and improving during 2024.
- The City's assets exceeded liabilities and deferred inflows of resources by \$197,383,867 at the end of 2024. Of this amount \$47,071,506 or 23.8% is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$150,312,361 includes \$108,443,757 invested in capital assets and \$41,868,604 restricted by agreement or regulation.
- The City's total net position increased by \$20,313,772 in 2024. Governmental Activities increased net position by \$8,763,929. In the Governmental Activities, current assets increased \$8,274,092, current liabilities increased \$365,068 and deferred inflows of resources increased \$778,175.
- The City's General Fund balance was \$58,105,388 as of December 31, 2024; which is an increase of \$8,260,257 from the previous year. The unassigned fund balance in 2024 is \$20,734,537 or 85.0% of expenditures.
- Sales tax revenue for the Governmental Funds decreased by \$411,603 or 3.0% in 2024.
- The enterprise funds had an unrestricted net position of \$9,989,595, a decrease of \$3,836,691.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for nonmajor funds, and individual fund statements.

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the City's assets, liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The statement of activities presents information showing how the government's assets changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The City's governmental activities include general government, public safety, public works, parks and recreation, and other auxiliary services. The business-type activities include water treatment, sewage treatment, storm water drainage, recreation center, and a golf course.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same function as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund and the Culture, Parks, and Recreation Fund which are both considered to be major funds for the City. Data from the other three funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in the report.

The basic governmental fund financial statements can be found starting on page 15 of this report.

For the Proprietary Funds, the City maintains four operations that are considered enterprise in nature. The four enterprise funds are the Recreation Center, Utility Fund, Storm Water Drainage Fund and the Golf Fund that are presented in the business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Recreation Center, Utility Fund, Storm Water Drainage Fund and the Golf Fund, which are all considered major funds of the City.

The basic proprietary fund financial statements can be found starting on page 19 of this report.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

The City adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all governmental and enterprise funds to demonstrate compliance with the budgets.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the financial statements.

Other Information In addition to the financial statements and accompanying notes this report also includes required and other supplementary information.

CITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December, 31, 2024 assets exceeded liabilities and deferred inflows of resources by \$197,383,867.

The following table provides a summary of the City's governmental and business-type net position for 2023 and 2024.

**Table 1
Net Position
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current Assets	\$ 74,496	\$ 66,222	\$ 33,269	\$ 46,748	\$ 107,765	\$ 112,970
Capital Assets	58,853	57,657	119,472	95,758	178,325	153,415
Total Assets	133,349	123,879	152,741	142,506	286,090	266,385
Deferred Outflows of Resources	-	-	-	-	-	-
Liabilities:						
Current Liabilities	1,899	1,534	5,311	5,303	7,210	6,837
Long-Term Liabilities	5,394	5,831	64,141	65,332	69,535	71,163
Total Liabilities	7,293	7,365	69,452	70,635	76,745	78,000
Deferred Inflows of Resources	10,037	9,259	1,923	2,056	11,960	11,315
Net Position:						
Net Investment in Capital Assets	57,617	56,866	50,827	36,315	108,444	93,181
Restricted	21,320	18,139	20,549	19,674	41,869	37,813
Unrestricted	37,082	32,249	9,990	13,826	47,072	46,075
Total Net Position	\$ 116,019	\$ 107,254	\$ 81,366	\$ 69,815	\$ 197,385	\$ 177,069

A significant portion of the City's net position (54.9%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment, and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

Another small portion of the City's net position (21.2%) represents resources that are subject to external restrictions and City ordinance on how they may be used. 3% of the funds are restricted for the payment of debt. 7% is restricted for the purchase of water. 7% of the funds have been legally restricted by ordinance for the purchase and maintenance of infrastructure. 3% of funds have been restricted by ordinance for use in parks and recreation. 0.13% of the funds are restricted by the State of Colorado Conservation Trust Fund for use in parks and recreation.

Changes in Net Position Governmental and Business-type activities increased the City's net position by in 2024. The following table indicates the changes in net position for governmental and business-type activities in 2024.

**Table 2
Changes in Net Position
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Service	\$ 2,443	\$ 3,606	\$ 14,301	\$ 10,984	\$ 16,744	\$ 14,590
Operating Grants and Contributions	238	299	-	-	238	299
Capital Grants and Contributions	1,107	17,701	4,775	9,229	5,882	26,930
General Revenue:						
Sales Tax	13,183	13,595	-	-	13,183	13,595
Property Taxes	9,568	8,898	2,198	1,226	11,766	10,124
Other Taxes	1,096	1,812	-	-	1,096	1,812
Other Revenue	7,867	2,926	2,480	2,124	10,348	5,050
Total Revenue	<u>35,502</u>	<u>48,837</u>	<u>23,754</u>	<u>23,563</u>	<u>59,257</u>	<u>72,400</u>
Expenses:						
General Government	6,144	6,107	-	-	6,144	6,107
Public Safety	4,738	4,049	-	-	4,738	4,049
Public Works	7,973	3,508	-	-	7,973	3,508
Culture, Parks, and Recreation	1,426	1,224	-	2,250	1,426	3,474
Other	3,949	2,323	-	5	3,949	2,328
Utilities	-	-	9,382	9,506	9,382	9,506
Storm Water Drainage	-	-	160	80	160	80
Recreation	-	-	2,467	-	2,467	-
Golf	-	-	2,704	2,565	2,704	2,565
Total Expenses	<u>24,230</u>	<u>17,211</u>	<u>14,713</u>	<u>14,406</u>	<u>38,943</u>	<u>31,617</u>
Increase (Decrease) in Net Position Before Transfers	11,272	31,626	9,041	9,157	20,314	40,783
Transfers	(2,510)	(787)	2,510	787	-	-
Increase (Decrease) in Net Position	8,762	30,839	11,551	9,944	20,314	40,783
Net Position - Beginning of Year	<u>107,253</u>	<u>76,414</u>	<u>69,816</u>	<u>59,872</u>	<u>177,069</u>	<u>136,286</u>
NET POSITION - END OF YEAR	<u>\$ 116,015</u>	<u>\$ 107,253</u>	<u>\$ 81,367</u>	<u>\$ 69,816</u>	<u>\$ 197,383</u>	<u>\$ 177,069</u>

G

Governmental Activities – Governmental activities increased the City's net position by \$8,763,929 in 2024. Key elements of this increase are as follows:

- Revenues decreased \$13,037,175 or (26.9%) primarily due to a slow down of contribution of streets and infrastructure by annexation and development.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

- Expenses increased \$7,018,001 or 41% in mostly in capital outlay for infrastructure.

Business-type Activities – Business-type activities decreased the City's net position by \$11,549,843 in 2024. The key elements are as follows:

- Revenues increased \$191,064 or 1% due to grants and funding for infrastructure.
- Expenses increased \$307,091 or 2% due an increase in recreational activities and operations with the new recreation center.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2024, the combined ending fund balance of the City government's funds was \$63,412,079 with \$20,734,537 in unassigned, which is available as working capital and for current spending in accordance with the purposes of specific funds.

The City has two major governmental funds.

1. General Fund. This is the primary operating fund of the City. It accounts for many of the City's core services, such as law enforcement, legal and court, public works, planning, finance and administration. The general fund balance was \$58,105,388 as of December 31, 2024, of which \$20,734,537 was unassigned. The 2024 general fund balance increased \$8,260,257. This fund generates a 1% sales tax reserved for the operation and maintenance of the water treatment facility, as well as purchase of water for future needs. The fund also collects a 1/2% sales tax reserved for street improvements and maintenance. The water and street sales tax accounts for 26% of the \$16,013,535 restricted balance in the general fund.
2. Culture, Parks, and Recreation (CPR) Fund. This is a special revenue fund which was established to account for revenue derived from the culture, parks, and recreation sales tax as required by administrative action. The CPR fund balance was \$4,974,671 as of December 31, 2024. The 2024 CPR fund balance decreased \$956,807. This fund generates a 0.5% CPR sales tax reserved for the continued operation, maintenance, and capital improvements of the community center, park, and recreation programs. The sales tax expires in December 2041 and would be subject to renewal.

PROPRIETARY FUNDS OVERVIEW

The City's proprietary fund statements provide the same information found in the government-wide statements, but in more detail. The City has four enterprise-type funds. These are 1) Utility Enterprise Fund, 2) Storm Water Drainage Fund, 3) Golf Course Fund, and 4) Recreation Center Fund.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

1. Utility Enterprise Fund – This fund generates revenue through billings for water and sewer usage in the incorporated area of the City. Funds are utilized for the maintenance of the sewer treatment plant, water treatment plant, and the various water and sewer infrastructure for the City. The net position for this fund was \$72,013,416 an increase of \$8,749,367 compared to 2023, with 7% of the assets obligated to debt service. The increase is largely due to an increase in charges for services revenue with the growing population.
2. Storm Water Drainage Fund – This fund was created to address storm water issues in the City and has accumulated \$2,511,631 in unrestricted funds for this purpose by year-end. Revenues decreased 35% in 2024 primarily due to a decrease in infrastructure assessments charged on building permits issued for new construction.
3. Golf Course Fund – This fund accounts for the operation of the Coyote Creek Golf Course, which is City owned. At year-end the golf course net position was (\$1,544,500), an increase of 6%, largely due to increased revenues under the new dynamic pricing fee structure.
4. Recreation Center Fund – Provides various activities for the citizenry of all ages. At year-end the unrestricted net position totaled \$108,396, a decrease of \$68,464 from 2023. Operating Cost increased 18% and property tax revenue increased 79%.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund; excluding funds consolidated with the General Fund for reporting purposes (see General Fund Budgetary Comparison Schedule in Required Supplementary information).

The Council appropriated \$28,103,553 for general fund expenditures and other financing uses, no reserves.

**Table 3
General Fund Budget**

	Original Budget	Amendments	Final Budget	Actual
Revenue and Other Financing Sources	\$ 21,990,358	\$ -	21,990,358	\$ 33,321,218
Expenditures and Other Financing Uses	28,103,553	-	28,103,553	25,060,961

Actual expenditures are under budget by \$3,042,592 million, due to capital projects not started in 2024.

The revenues are overbudget by \$11,330,860 due to underestimating sales tax, property tax, use tax building permits and interest's revenue in the 2024 budget. There was an unbudgeted sale of Northern Integrated Supply Plan shares to another participant in the project for \$3.875 million that also contributed to the overage.

The ending fund balance increased \$8,260.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

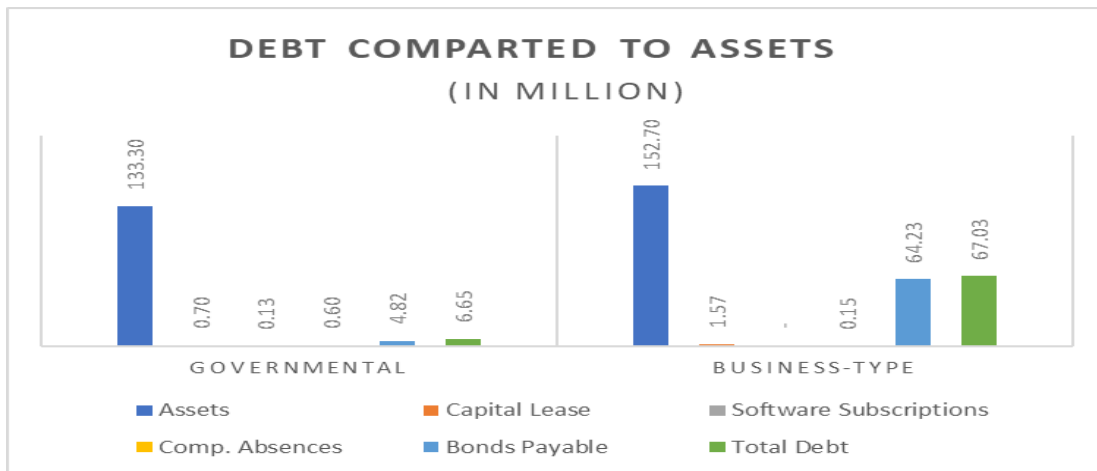
The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024 totals \$108,443,757 (net of accumulated depreciation, amortization and related debt). This investment includes land, buildings, machinery, equipment, and infrastructure. The increase in investment in capital assets for the current fiscal year is \$15,262,270 and primarily due to water infrastructure projects.

Additional information on the City's capital assets can be found in Note 6 of this report.

At December 31, 2024, the City had outstanding long-term debt totaling \$72,190,929. This debt consists of 1) bonds payable; 2) notes payable; 3) leases; 4) subscription-based IT arrangements (SBITA) and 5) compensated absences payable. Debt decreased in the enterprise \$1,092,599. The decrease was primarily due to \$1,808,367 reduction in outstanding debt from principal payments and deferred premium amortization.

A debt limit is not imposed by the State of Colorado, but it is measured by the worth of the entity. Below is a graphic presentation of each of the debt segments compared to the assets of the City segregated into governmental and business-type activities:

**Table 4
Debt Compared to Asset
(In Millions)**



Additional information on the City's debt can be found in Note 7.

Other matters: The following factors are expected to have a significant effect on the City's financial position or results of operations and were considered in developing the 2025 budget.

- The Planning department continues to work with developers and building permits for new single-family housing and commercial construction continues to have a positive effect on revenues in all funds.

**CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

- The City Council is supportive of the development plan for the City, which will position us well for the upcoming growth and development that the City should experience.
- The Public Works director has been working on large infrastructure projects.
 - The wastewater connection to Metro Water Recovery (MWR) designed in 2020, started construction in October 2024. Estimated project completion date is June 2026. Flows to the MWR North facility are expected to start in late 2025.
 - A one-million-gallon water tower was designed in 2024. An application for funding through the Colorado Water Resource and Power Development Authority was approved in 2025 and construction is expected to start at the end of 2025.
 - The Harrison street project began in 2023 will continue into 2025.
 - Design of a new City Hall building began in November 2024. Construction is expected to begin in late 2025 and is estimated to take eighteen months to complete. Funding from the project will come from reserves in the general fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this or for additional financial information should be addressed to the Fort Lupton City Administrator, 130 South McKinley Avenue, Fort Lupton, CO 80621.

**CITY OF FORT LUPTON
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Public and School Library	Fort Lupton Urban Renewal Authority
ASSETS					
Current Assets:					
Cash and Investments	\$ 54,644,447	\$ 14,707,908	\$ 69,352,355	\$ 11,043,355	\$ 844,359
Restricted Cash	738,931	20,487,193	21,226,124	129,816	-
Receivables:					
Accounts	1,323,672	1,717,705	3,041,377	-	-
Property Taxes	10,037,417	1,922,822	11,960,239	-	840,592
Sales Tax	1,663,661	-	1,663,661	-	-
Internal Balance	6,066,477	(6,066,477)	-	-	-
Prepaid Items	21,311	166,713	188,024	-	-
Inventory	-	57,663	57,663	-	-
Other Assets	-	275,402	275,402	-	-
Total Current Assets	74,495,916	33,268,929	107,764,845	11,173,171	1,684,951
Long-Term Assets:					
Capital Assets:					
Nondepreciable Capital Assets	20,858,277	71,050,821	91,909,098	850,754	-
Depreciable Capital Assets, Net	37,166,301	46,880,587	84,046,888	8,271,689	-
Right to Use Leased Assets, Net	621,614	1,540,374	2,161,988	-	-
Right to Use SBITA Asset, Net	206,829	-	206,829	-	-
Total Long-Term Assets	58,853,021	119,471,782	178,324,803	9,122,443	-
Total Assets	133,348,937	152,740,711	286,089,648	20,295,614	1,684,951

See accompanying Notes to Financial Statements.

CITY OF FORT LUPTON
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Public and School Library	Fort Lupton Urban Renewal Authority
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 702,985	\$ 3,095,113	\$ 3,798,098	\$ 14,386	\$ 12,088
Accrued Expenses	326,585	359,080	685,665	35,558	-
Unearned Revenue	16,850	-	16,850	-	-
Payment in Lieu of Water	-	54,000	54,000	-	-
Long-Term Liabilities Due Within One Year:					
Loans Payable	415,000	927,202	1,342,202	-	5,000
Bonds Payable	-	655,000	655,000	-	-
Leases Payable	218,936	199,993	418,929	-	-
SBITA Payable	81,536	-	81,536	-	-
Compensated Absences	137,056	20,866	157,922	16,652	-
Total Current Liabilities	<u>1,898,948</u>	<u>5,311,254</u>	<u>7,210,202</u>	<u>66,596</u>	<u>17,088</u>
Long-Term Liabilities:					
Long-Term Liabilities Due in More Than a Year:					
Bonds Payable	-	37,037,225	37,037,225	-	-
Loans Payable	4,405,938	25,612,662	30,018,600	-	5,000
Leases Payable	478,012	1,365,561	1,843,573	-	-
SBITA Payable	45,124	-	45,124	-	-
Compensated Absences	465,007	125,811	590,818	13,064	-
Total Long-Term Liabilities	<u>5,394,081</u>	<u>64,141,259</u>	<u>69,535,340</u>	<u>13,064</u>	<u>5,000</u>
Total Liabilities	7,293,029	69,452,513	76,745,542	79,660	22,088
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	10,037,417	1,922,822	11,960,239	-	840,592
Total Deferred Inflows of Resources	10,037,417	1,922,822	11,960,239	-	840,592
NET POSITION					
Net Investment in Capital Assets	57,616,511	50,827,246	108,443,757	9,122,443	-
Restricted for Purchase of Water	-	14,382,212	14,382,212	-	-
Restricted for Debt Service	731,475	6,104,981	6,836,456	-	-
Restricted for Streets and Water Projects	14,340,774	-	14,340,774	-	-
Restricted for Culture, Parks, and Recreation	5,149,403	-	5,149,403	-	-
Restricted for Cemeteries	81,304	-	81,304	-	-
Restricted for Donations	30,509	-	30,509	116,017	-
Restricted for Police Evidence	8,382	-	8,382	-	-
Restricted for Emergencies	978,222	61,342	1,039,564	125,870	10,863
Unrestricted	37,081,911	9,989,595	47,071,506	10,851,624	811,408
Total Net Position	<u>\$ 116,018,491</u>	<u>\$ 81,365,376</u>	<u>\$ 197,383,867</u>	<u>\$ 20,215,954</u>	<u>\$ 822,271</u>

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Public and School Library	Fort Lupton Urban Renewal Authority
GOVERNMENTAL ACTIVITIES									
General Government	\$ 6,143,659	\$ 798,107	\$ 124,687	\$ 41,729	\$ (5,179,136)	\$ -	\$ (5,179,136)	\$ -	\$ -
Public Safety	4,737,536	407,723	-	-	(4,329,813)	-	(4,329,813)	-	-
Public Works	7,972,688	713,811	-	-	(7,258,877)	-	(7,258,877)	-	-
Culture, Parks, and Recreation	1,425,998	523,468	113,228	1,064,927	275,625	-	275,625	-	-
Other	3,948,514	-	-	-	(3,948,514)	-	(3,948,514)	-	-
Total Governmental Activities	24,228,395	2,443,109	237,915	1,106,656	(20,440,715)	-	(20,440,715)	-	-
BUSINESS-TYPE ACTIVITIES									
Utilities	9,381,700	10,711,379	-	4,775,296	-	6,104,975	6,104,975	-	-
Storm Water Drainage	160,263	497,983	-	-	-	337,720	337,720	-	-
Golf	2,466,957	2,553,339	-	-	-	86,382	86,382	-	-
Recreation	2,703,864	537,880	-	-	-	(2,165,984)	(2,165,984)	-	-
Total Business-Type Activities	14,712,784	14,300,581	-	4,775,296	-	4,363,093	4,363,093	-	-
Total Primary Government	\$ 38,941,179	\$ 16,743,690	\$ 237,915	\$ 5,881,952	(20,440,715)	4,363,093	(16,077,622)	-	-
COMPONENT UNITS									
Public and School Library	\$ 1,518,918	\$ 539,899	\$ 3,655,753	\$ -				\$ 2,676,734	\$ -
Fort Lupton Urban Renewal Authority	64,508	-	-	-				-	(64,508)
Total Component Units	\$ 1,518,918	\$ 539,899	\$ 3,655,753	\$ -				2,676,734	(64,508)
GENERAL REVENUES AND TRANSFERS									
Taxes:									
Sales and Use									
					13,183,051	-	13,183,051	-	-
Property									
					9,567,719	2,197,667	11,765,386	-	360,378
Other									
					1,096,179	-	1,096,179	-	-
Investment Earnings									
					2,468,840	2,184,872	4,653,712	-	1,706
Miscellaneous									
					4,893,310	294,648	5,187,958	-	-
Insurance Proceeds									
					505,108	-	505,108	-	-
Transfers									
					(2,509,563)	2,509,563	-	-	-
Total General Revenue and Transfers									
					29,204,644	7,186,750	36,391,394	-	362,084
CHANGES IN NET POSITION									
					8,763,929	11,549,843	20,313,772	2,676,734	297,576
Net Position - Beginning of Year									
					107,254,562	69,815,533	177,070,095	17,539,220	524,695
NET POSITION - END OF YEAR									
					\$ 116,018,491	\$ 81,365,376	\$ 197,383,867	\$ 20,215,954	\$ 822,271

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

ASSETS	<u>General</u>	<u>Culture, Parks and Recreation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Cash and Investments	\$ 49,430,341	\$ 4,881,358	\$ 332,748	\$ 54,644,447
Restricted Cash	731,475	7,456	-	738,931
Receivables:				
Accounts	1,323,672	-	-	1,323,672
Property Taxes	10,037,417	-	-	10,037,417
Sales Tax	1,460,349	203,312	-	1,663,661
Prepaid Items	21,154	85	72	21,311
Advance to Golf Course Fund	6,066,477	-	-	6,066,477
Total Assets	<u>\$ 69,070,885</u>	<u>\$ 5,092,211</u>	<u>\$ 332,820</u>	<u>\$ 74,495,916</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 607,215	\$ 94,970	\$ 800	\$ 702,985
Accrued Expenditures	304,015	22,570	-	326,585
Unearned Revenue	16,850	-	-	16,850
Total Liabilities	<u>928,080</u>	<u>117,540</u>	<u>800</u>	<u>1,046,420</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	10,037,417	-	-	10,037,417
Total Deferred Inflows of Resources	<u>10,037,417</u>	<u>-</u>	<u>-</u>	<u>10,037,417</u>
FUND BALANCES				
Nonspendable	6,087,631	85	72	6,087,788
Restricted	16,013,535	4,974,586	331,948	21,320,069
Committed	211,530	-	-	211,530
Assigned	15,058,155	-	-	15,058,155
Unassigned	20,734,537	-	-	20,734,537
Total Fund Balances	<u>58,105,388</u>	<u>4,974,671</u>	<u>332,020</u>	<u>63,412,079</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 69,070,885</u>	<u>\$ 5,092,211</u>	<u>\$ 332,820</u>	<u>\$ 74,495,916</u>

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2024**

Total Fund Balance - Governmental Funds \$ 63,412,079

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, the underlying resources are not recognized currently in the governmental funds.

Capital Assets, net	58,024,578
Right-to-use Leased Assets, net	621,614
Subscriptions, net	206,829

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Loans Payable	(4,545,000)
Unamortized Premiums on Loans	(275,938)
Compensated Absences	(602,063)
Leases Payable	(696,948)
Subscriptions Payable	(126,660)
	(126,660)

Net Position of Governmental Activities \$ 116,018,491

CITY OF FORT LUPTON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General	<i>Formerly Non- major Fund</i> Culture Parks and Recreation	Nonmajor Governmental Funds	Total
REVENUES				
Taxes and Assessments	\$ 21,542,621	\$ 1,625,918	\$ -	\$ 23,168,539
Licenses and Permits	893,524	-	-	893,524
Intergovernmental	1,897,366	-	108,878	2,006,244
Charges for Services	1,207,223	120,918	82,085	1,410,226
Fines and Forfeits	99,708	-	-	99,708
Interest Income	2,252,875	209,221	6,744	2,468,840
Other	4,486,507	418,664	31,875	4,937,046
Total Revenues	<u>32,379,824</u>	<u>2,374,721</u>	<u>229,582</u>	<u>34,984,127</u>
EXPENDITURES				
Current:				
General Government	5,675,924	-	-	5,675,924
Public Safety	4,468,407	-	-	4,468,407
Public Works	3,020,121	-	-	3,020,121
Culture, Parks, and Recreation	-	919,773	162,957	1,082,730
Other	3,948,514	-	-	3,948,514
Capital Outlay	6,335,440	443,898	344,990	7,124,328
Debt Service:				
Principal	673,571	-	-	673,571
Interest	274,778	-	-	274,778
Debt Issuance Cost	2,500	-	-	2,500
Total Expenditures	<u>24,399,255</u>	<u>1,363,671</u>	<u>507,947</u>	<u>26,270,873</u>
REVENUES OVER (UNDER) EXPENDITURES	7,980,569	1,011,050	(278,365)	8,713,254
OTHER FINANCING SOURCES (USES)				
Transfers In	-	32,143	120,000	152,143
Transfers Out	(661,706)	(2,000,000)	-	(2,661,706)
Lease Proceeds	191,494	-	-	191,494
SBITA Proceeds	135,398	-	-	135,398
Insurance Proceeds	505,108	-	-	505,108
Proceeds from Sale of Capital Assets	109,394	-	-	109,394
Total Other Financing Sources (Uses)	<u>279,688</u>	<u>(1,967,857)</u>	<u>120,000</u>	<u>(1,568,169)</u>
NET CHANGE IN FUND BALANCES	8,260,257	(956,807)	(158,365)	7,145,085
Fund Balances - Beginning of Year, as previously presented	<u>49,845,131</u>	<u>-</u>	<u>6,421,863</u>	<u>56,266,994</u>
Change within financial reporting entity (nonmajor to major)	-	5,931,478	(5,931,478)	-
Fund Balances - Beginning of Year, as restated	<u>49,845,131</u>	<u>5,931,478</u>	<u>490,385</u>	<u>56,266,994</u>
FUND BALANCES - END OF YEAR	<u>\$ 58,105,388</u>	<u>\$ 4,974,671</u>	<u>\$ 332,020</u>	<u>\$ 63,412,079</u>

See accompanying Notes to Financial Statements.
(18)

**CITY OF FORT LUPTON
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balance - Governmental Funds \$ 7,145,085

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for Capital Assets	6,789,936	
Current Year Depreciation	(5,514,499)	
Expenditures for right-to-use leased assets	191,494	
Current Year Amortization	(230,254)	
Expenditures for right-to-use subscription assets	142,898	
Current Year Amortization	<u>(86,631)</u>	1,292,944

Net effect of various miscellaneous transactions involving capital assets (i.e., disposals, transfers, donations). (96,742)

Debt proceeds provide current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Payments on Notes	400,000	
Leases	(191,494)	
Principal Payments on Leases	190,669	
Subscriptions	(135,398)	
Principal Payments on Subscriptions Payable	<u>82,902</u>	346,679

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds.

Compensated Absences, net	45,017	
Amortization of Premiums on Debt	<u>30,946</u>	75,963

Change in Net Position of Governmental Activities as Reported in the Statement of Activities \$ 8,763,929

**CITY OF FORT LUPTON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total
ASSETS					
Current Assets:					
Cash and Investments	\$ 10,988,161	\$ 2,482,393	\$ 996,339	\$ 241,015	\$ 14,707,908
Restricted Cash	19,522,366	-	-	964,827	20,487,193
Receivables:					
Accounts Receivable	1,600,659	29,238	-	87,808	1,717,705
Property Tax Receivable	-	-	-	1,922,822	1,922,822
Inventory	-	-	57,663	-	57,663
Prepaid Items	165,618	-	1,095	-	166,713
Total Current Assets	<u>32,276,804</u>	<u>2,511,631</u>	<u>1,055,097</u>	<u>3,216,472</u>	<u>39,060,004</u>
Noncurrent Assets:					
Nondepreciable:					
Land	372,077	-	3,383,203	-	3,755,280
Water Rights	48,149,654	-	-	-	48,149,654
Construction in Progress	18,434,559	711,328	-	-	19,145,887
Depreciable:					
Wells	1,027,539	-	-	-	1,027,539
Buildings and Land Improvements	13,226,660	-	1,624,300	19,882,740	34,733,700
Utility System	34,258,013	2,440,935	-	-	36,698,948
Equipment	8,707,792	-	1,293,021	636,153	10,636,966
Total	<u>124,176,294</u>	<u>3,152,263</u>	<u>6,300,524</u>	<u>20,518,893</u>	<u>154,147,974</u>
Less: Accumulated Depreciation	<u>(28,753,817)</u>	<u>(435,325)</u>	<u>(1,962,476)</u>	<u>(5,064,948)</u>	<u>(36,216,566)</u>
Net Noncurrent Assets	<u>95,422,477</u>	<u>2,716,938</u>	<u>4,338,048</u>	<u>15,453,945</u>	<u>117,931,408</u>
Leased Assets	2,201,931	-	-	-	2,201,931
Accumulated Amortization	<u>(661,557)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(661,557)</u>
Net Leased Assets	<u>1,540,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,540,374</u>
Total Noncurrent Assets	<u>96,962,851</u>	<u>2,716,938</u>	<u>4,338,048</u>	<u>15,453,945</u>	<u>119,471,782</u>
OTHER ASSETS					
Inclusion Fee	275,402	-	-	-	275,402
Total Other Assets	<u>275,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,402</u>
 Total Assets	 <u>129,515,057</u>	 <u>5,228,569</u>	 <u>5,393,145</u>	 <u>18,670,417</u>	 <u>158,807,188</u>

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 2,240,315	\$ -	\$ 97,556	\$ 757,242	\$ 3,095,113
Advance from General Fund	-	-	6,066,477	-	6,066,477
Accrued Expenses	250,404	-	34,418	74,258	359,080
Payment in Lieu of Water	54,000	-	-	-	54,000
Long-Term Liabilities Due Within One Year:					
Loans Payable	839,943	-	87,259	-	927,202
Bonds Payable	485,000	-	-	170,000	655,000
Leases Payable	199,993	-	-	-	199,993
Compensated Absences	-	-	12,759	8,107	20,866
Total Current Liabilities	<u>4,069,655</u>	<u>-</u>	<u>6,298,469</u>	<u>1,009,607</u>	<u>11,377,731</u>
Long-Term Liabilities:					
Bonds Payable	27,014,621	-	-	10,022,604	37,037,225
Loans Payable	25,051,804	-	560,858	-	25,612,662
Lease Payable	1,365,561	-	-	-	1,365,561
Compensated Absences	-	-	78,318	47,493	125,811
Total Long-Term Liabilities	<u>53,431,986</u>	<u>-</u>	<u>639,176</u>	<u>10,070,097</u>	<u>64,141,259</u>
Total Liabilities	57,501,641	-	6,937,645	11,079,704	75,518,990
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	-	-	-	1,922,822	1,922,822
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,922,822</u>	<u>1,922,822</u>
NET POSITION					
Net Investment in Capital Assets	39,887,051	2,716,938	3,689,931	4,533,326	50,827,246
Restricted for:					
Purchase of Water	14,382,212	-	-	-	14,382,212
Debt Service	5,140,154	-	-	964,827	6,104,981
Emergencies	-	-	-	61,342	61,342
Unrestricted	<u>12,603,999</u>	<u>2,511,631</u>	<u>(5,234,431)</u>	<u>108,396</u>	<u>9,989,595</u>
Total Net Position	<u>72,013,416</u>	<u>5,228,569</u>	<u>(1,544,500)</u>	<u>5,667,891</u>	<u>81,365,376</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 129,515,057</u>	<u>\$ 5,228,569</u>	<u>\$ 5,393,145</u>	<u>\$ 18,670,417</u>	<u>\$ 158,807,188</u>

See accompanying Notes to Financial Statements.

CITY OF FORT LUPTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total
OPERATING REVENUES					
Charges for Services	\$ 8,028,795	\$ 497,983	\$ 1,904,456	\$ 512,992	\$ 10,944,226
Sales of Merchandise	-	-	631,995	-	631,995
Other Income	2,682,584	-	16,888	24,888	2,724,360
Total Operating Revenues	<u>10,711,379</u>	<u>497,983</u>	<u>2,553,339</u>	<u>537,880</u>	<u>14,300,581</u>
OPERATING EXPENSES					
Salaries and Benefits	-	-	1,258,721	1,326,870	2,585,591
Professional Fees	450,144	46,003	25,946	81,449	603,542
Contract Management	1,281,749	-	-	-	1,281,749
Insurance	139,412	-	9,019	37,802	186,233
Repairs and Maintenance	1,125,691	456	105,312	89,539	1,320,998
Merchandise for Resale	-	-	309,956	1,501	311,457
Supplies	106,876	818	221,066	84,457	413,217
Utilities	311,082	-	123,299	160,744	595,125
Water Assessments	694,256	-	-	-	694,256
Depreciation and Amortization	2,229,894	112,986	121,732	317,769	2,782,381
Other	71,058	-	285,294	201,041	557,393
Total Operating Expenses	<u>6,410,162</u>	<u>160,263</u>	<u>2,460,345</u>	<u>2,301,172</u>	<u>11,331,942</u>
OPERATING INCOME (LOSS)	4,301,217	337,720	92,994	(1,763,292)	2,968,639
NONOPERATING REVENUES (EXPENSES)					
Property Taxes (Pledged for Debt)	-	-	-	2,197,667	2,197,667
Investment Income	1,850,986	65,740	5,504	262,642	2,184,872
Interest Expense	(2,138,202)	-	(6,612)	(402,692)	(2,547,506)
Administrative Fee - Trustee	(5,800)	-	-	-	(5,800)
Capital Contributions to Other Governments	(827,536)	-	-	-	(827,536)
Gain (Loss) on Disposal of Assets	2,015	-	-	10,505	12,520
Other	281,828	-	-	300	282,128
Total Nonoperating Revenues (Expenses)	<u>(836,709)</u>	<u>65,740</u>	<u>(1,108)</u>	<u>2,068,422</u>	<u>1,296,345</u>
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	3,464,508	403,460	91,886	305,130	4,264,984
TRANSFERS AND CAPITAL CONTRIBUTIONS					
Transfers In	509,563	-	-	2,000,000	2,509,563
Capital Contributions Tap Fees	3,646,196	-	-	-	3,646,196
Capital Contributions	1,129,100	-	-	-	1,129,100
Total Transfers and Capital Contributions	<u>5,284,859</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>7,284,859</u>
CHANGE IN NET POSITION	8,749,367	403,460	91,886	2,305,130	11,549,843
Net Position - Beginning of Year	<u>63,264,049</u>	<u>4,825,109</u>	<u>(1,636,386)</u>	<u>3,362,761</u>	<u>69,815,533</u>
NET POSITION - END OF YEAR	<u>\$ 72,013,416</u>	<u>\$ 5,228,569</u>	<u>\$ (1,544,500)</u>	<u>\$ 5,667,891</u>	<u>\$ 81,365,376</u>

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 7,088,582	\$ 491,104	\$ 2,536,451	\$ 488,582	\$ 10,604,719
Other Receipts	592,108	-	16,888	24,963	633,959
Payments to Suppliers and Service Providers	(4,347,880)	(47,277)	(1,083,607)	(639,239)	(6,118,003)
Payments to Employees for Salaries and Benefits	-	-	(1,232,236)	(1,311,639)	(2,543,875)
Net Cash Provided (Used) by Operating Activities	3,332,810	443,827	237,496	(1,437,333)	2,576,800
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES					
Transfers from Other Funds	509,563	-	-	2,000,000	2,509,563
Net Cash Provided (Used) by Noncapital and Related Financing Activities	509,563	-	-	2,000,000	2,509,563
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	3,646,196	-	-	-	3,646,196
Acquisition and Construction of Capital Assets	(12,617,486)	(543,402)	(699,452)	(9,618,159)	(23,478,499)
Metro Water Recovery Tap Fees	(827,536)	-	-	-	(827,536)
Proceeds from Debt Financing	50,000	-	648,117	-	698,117
Administration Fees	(5,800)	-	-	-	(5,800)
Principal on Notes, Bonds, and Leases	(1,253,695)	-	(62,463)	(355,681)	(1,671,839)
Interest on Notes, Bonds, and Leases	(2,018,611)	-	(6,612)	(418,176)	(2,443,399)
Property Taxes	-	-	-	2,197,667	2,197,667
Other	283,843	-	-	300	284,143
Net Cash Provided (Used) by Capital and Related Financing Activities	(12,743,089)	(543,402)	(120,410)	(8,194,049)	(21,600,950)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	1,850,986	65,740	5,504	262,642	2,184,872
Net Cash Provided (Used) by Investing Activities	1,850,986	65,740	5,504	262,642	2,184,872
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	(7,049,730)	(33,835)	122,590	(7,368,740)	(14,329,715)
Cash and Cash Equivalents - Beginning of Year	37,560,257	2,516,228	873,749	8,574,582	49,524,816
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 30,510,527</u>	<u>\$ 2,482,393</u>	<u>\$ 996,339</u>	<u>\$ 1,205,842</u>	<u>\$ 35,195,101</u>

See accompanying Notes to Financial Statements.
(23)

**CITY OF FORT LUPTON
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 4,301,217	\$ 337,720	\$ 92,994	\$ (1,763,292)	\$ 2,968,639
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	2,229,894	112,986	121,732	317,769	2,782,381
Changes in Assets and Liabilities:					
Accounts Receivable	(940,213)	(6,879)	-	108,654	(838,438)
Prepaid Expenses	(155)	-	(439)	-	(594)
Unearned Revenue	(2,090,476)	-	-	(132,989)	(2,223,465)
Inventory	-	-	(11,014)	-	(11,014)
Accounts Payable	(205,215)	-	7,738	17,294	(180,183)
Other Liabilities	-	-	11,847	5,803	17,650
Accrued Expenses	37,758	-	14,638	9,428	61,824
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,332,810</u>	<u>\$ 443,827</u>	<u>\$ 237,496</u>	<u>\$ (1,437,333)</u>	<u>\$ 2,576,800</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and Investments	\$ 10,988,161	\$ 2,482,393	\$ 996,339	\$ 241,015	\$ 14,707,908
Restricted Cash	19,522,366	-	-	964,827	20,487,193
Total Cash and Investments	<u>\$ 30,510,527</u>	<u>\$ 2,482,393</u>	<u>\$ 996,339</u>	<u>\$ 1,205,842</u>	<u>\$ 35,195,101</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Amortization of Premium	<u>\$ 119,591</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,222</u>	<u>\$ 141,813</u>
Capital Contributions	<u>\$ 1,129,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,129,100</u>

See accompanying Notes to Financial Statements.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Fort Lupton (City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. Reporting Entity

The City incorporated on February 4, 1890. In compliance with the Colorado Revised Statutes, the City is governed by an elected mayor and six-member Governing Council from three wards. The accompanying financial statements present the government and its component units, entities for which the primary government may potentially benefit financially or be financially responsible for the component unit. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

Discretely Presented Component Units

The Fort Lupton Urban Renewal Authority (FLURA) was established by Resolution 2015R43 on August 18, 2015 as an independent organization under Colorado Law with the objective of carrying on urban renewal activities. The FLURA board is appointed by the Mayor with the consent of the City Council. The City Council has no authority to modify or approve FLURA's budget. The City is not able to significantly influence the programs and decisions of the FLURA board. FLURA does not issue separate financial statements.

The Fort Lupton Public and School Library (Library) was created in 1976 by an intergovernmental agreement between the City and Weld County School District RE-8 (the School). In 1985, the City and School entered into an intergovernmental agreement with Weld County and five other municipalities to create the Weld County Library District, now High Plains Library District. The City and the School appoint three members of the seven-member Library board. The six appointed members appoint their seventh member. The Library is funded by a property tax levied by the High Plains Library District. The 1976 intergovernmental agreement requires the City and School to fund the approved budgeted expenditures. The City Council approves by resolution the budget set by the Library board but has no ability to significantly influence the programs and running of the Library. The Library does not issue separate financial statements.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government has a significant financial relationship.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Taxes and other items not included among program revenues are reported instead as general revenues.

C. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The operating revenues of the City's enterprise funds are charges for services to customers. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

General Fund

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation – Fund Financial Statements (Continued)

Culture, Parks and Recreation Fund

The Culture, Parks and Recreation Fund was established to account for revenues derived from specific taxes or other restricted revenue sources which finance specific activities as required by law or administrative action.

The City reports the following major enterprise funds:

Utility Enterprise Fund

The Utility Enterprise Fund accounts for all activities relating to the City's water and sanitary sewer systems.

Storm Water Drainage Fund

The Storm Water Drainage Fund accounts for maintenance, repair of all lines and installation of new storm drainage lines.

Golf Course Fund

The Golf Course Fund accounts for the pro-shop, restaurant services, and maintenance of the golf course, club house and restaurant.

Recreation Center Fund

The Recreation Center Fund accounts for recreational services including exercise classes, equipment, gym facilities and a swimming pool.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and asset retirement obligations are recognized based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available once cash is received by the City.

E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash balances, unless a separate account is required, are pooled for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund.

For purposes of the statement of cash flows, the City's proprietary funds consider demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

2. Investments

All investments are stated at fair value. Money market investments and participating interest earning investments that have a maturity of less than one year from the date of purchase are reported at amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Investments in the State Investment Pool are stated at amortized cost.

3. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

4. Accounts Receivable

All trade and other receivables are shown net of allowances for uncollectible amounts. Receivables are analyzed for their collectability based on the terms and conditions of agreements, as well as current economic conditions and consideration of the creditors ability to pay.

5. Interfund Balances

Activity between funds that is representative of lending or borrowing arrangements is reported as either “due to/from other funds” (current portion) or “advances to/from other funds (noncurrent portion).” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

6. Property Taxes

Under Colorado law, all property taxes become due and payable in the year following that in which they are levied. Property taxes are recognized as revenue when received by the County Treasurer. The 2024 fiscal year property tax calendar for Weld County was as follows:

Lien Date	January 1
Levy Date	December 29
Tax Bills Mailed	January 1
First Installment Due	February 28
Second Installment Due	June 15
If Paid in Full, Due	April 30
Tax Sale – Delinquent Property Tax	November 6

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

7. Inventories and Prepaid Items

Inventories consist principally of materials and supplies held for consumption and are recorded at cost using the first in-first out method for proprietary funds. Inventory in all other funds is not recorded, as it is not considered significant. The cost is recorded as an expenditure when the individual inventory items are purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. In the governmental funds, reported prepaid items are classified as nonspendable fund balance.

8. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary fund financial statements. Capital assets, including infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of one year.

Capital assets are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. Contributed capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Class	Lives
Buildings and Improvements	0-50
Land Improvements	0-50
Machinery, Equipment, and Vehicles	5-10
Distribution Systems	10-100
Streets	20-50

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

8. Capital Assets (Continued)

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The City recognizes lease assets with an initial, individual value of \$5,000 or more.

Subscription based technology arrangement (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets. The City recognizes SBITA assets with an initial, individual value of \$5,000 or more.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. The City has reported deferred inflows of resources related to unavailable revenues for property taxes. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

10. Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned. The City's unearned revenue consists primarily of revenue for the sale of bulk water for industrial use.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

11. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

13. Fund Balance

The classifications of fund balances are described as follows:

Nonspendable Fund Balance - Consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Consists of amounts that can be spent only for specific purposes because of constraints imposed by external resource providers (creditors, grantors contributors or laws or regulations of other governments) or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Consists of amounts that can be used only for the specific purposes determined by a formal action (resolution) of the City's Council, the City's highest decision-making level of authority. Commitments may be changed or lifted only by the Council taking the same formal action that originally imposed the constraint.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

13. Fund Balance (Continued)

Assigned Fund Balance - Consists of amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Intent may be expressed either by the Council or officials to which the Council has delegated authority. Through resolution, the City Council has authorized the City's Finance Director to assign fund balances.

Unassigned Fund Balance - Consists of the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Any deficit fund balance within the other governmental fund types is reported as unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Minimum Fund Balance Policy - Resolution 98-035 set the minimum fund balances as follows: The Culture, Parks & Recreation Sales Tax Fund must maintain the 3% emergency reserve defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer's Bill of Rights (TABOR); the General Fund, and Utility Enterprise Fund are required to maintain the 3% TABOR reserve plus an additional 10% in emergency reserves. Ordinance 2012-950 created a contingency reserve starting with \$500,000 transferred from the General Fund's fund balance and two percentage of the General Fund's property tax is transferred to the contingency reserve annually in accordance with the 2019 approval. The Golf Course Enterprise Fund is not required to maintain the 3% emergency reserve.

14. Net Position

Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance
(Continued)**

14. Net Position (Continued)

Restricted Net Position - Is reported when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grants, laws or regulations of other governments.

Unrestricted Net Position - Is the amount of net position that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

15. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget for the proprietary funds is appropriated on a non-GAAP basis. Other special revenue funds and the permanent fund do not have appropriated budgets since other means control the use of these resources and sometimes span a period of more than one fiscal year.

The appropriated budget is prepared by the fund level. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Appropriations in all budgeted funds lapse at the end of the fiscal year.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS

A. Deposits

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may be lost. The Colorado Public Deposit Protection Act requires that all deposits be deposited only in eligible public depositories and protected by collateral. The market value of collateral pledged must equal 102% of the aggregate uninsured deposits. State statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The allowed investments include local government investment pools and obligations of the United States Government, and certain other investment types. State Statutes require that securities pledged as collateral be held in safekeeping in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

The City follows State Statutes to address custodial credit risk for deposits, ensuring all deposits must be in compliance with State Statutes, with collateralization levels of 102% of the fair value of the principal and accrued interest. At year-end, the carrying amount of the City's deposits was \$9,722,035 while the bank balance was \$9,837,888. At December 31, 2024, all deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City's agent in the City's name.

B. Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. Agencies, local government external investment pools, and certain other investment types.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. State statute limits investment maturities to five years or less. Investments in local government pools have a maturity of less than one year.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

As of December 31, 2024, the City had the following cash and investments:

<u>Type</u>	<u>Rating</u>	<u>Carrying Value</u>
Deposits:		
Cash on Hand		\$ 867
Demand Deposits		9,722,035
Investments:		
Money Market	N/A	175,688
ColoTrust	AAAm by S & P	66,570,342
Csafe Cash	AAAm by S & P	4,944,253
Csafe Core	AAAf/S1 Fitch	9,165,294
Total Deposits and Investments		<u>\$ 90,578,479</u>

Reconciliation of Statement of Net Position:

Current		
Cash and Investments	69,352,355	
Restricted Cash	21,226,124	
Total Deposits and Investments		<u>\$ 90,578,479</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State Statues limit the investment grade that the City may invest in.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1 - Quoted prices for identical investments in active markets,

Level 2 - Observable inputs other than those in Level 1; and

Level 3 - Unobservable inputs.

As of December 31, 2024, the City had invested \$66,570,542 in the Colorado Local Government Liquid Asset Trust – PLUS, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing ColoTrust. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1.00. As of December 31, 2024, the investments in ColoTrust were valued at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

As of December 31, 2024, the City had \$14,109,547 invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The City has \$4,944,253 invested in CSAFE Cash and \$9,165,294 in Colorado CORE an enhanced cash fund through CSAFE. CSAFE Cash is a highly liquid Fund operating like a money market fund with a \$1.00 transactional share price. CSAFE Cash operates under GASB 79 amortized cost basis method of determining transactional share price. CSAFE Colorado Core Fund (Core) is an ultra-short duration, enhanced cash fund intended for short to intermediate term minimum investment with a \$2.00 transactional share price. Core has a minimum investment of \$100,000 and allows maximum of three redemptions per month. Core operated under GASB 31 and 72 method of fair market valuation.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. The City places no limit on the amount that may be invested in any one issuer. The City invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; and 3) yield. The City invests in two investment pools, the Colorado Liquid Assets Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). COLOTRUST and CSAFE operate under the Colorado Revised Statutes (24-75-701) and are overseen by Colorado Securities Commissioner. The pool invests in securities that are specified by the Colorado Revised Statutes (24-75-601). Authorized securities include U.S. treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA).

NOTE 4 RESTRICTED CASH AND INVESTMENTS

The restricted cash in the governmental activities and business-type activities represents special development loan accounts, and specific use funds.

Restricted Cash and Investments:

Business-Type Activities:

2005 Series B Bonds	\$ 189,894
2017 Series A Bonds	1,625,195
CWCB Loan	176,787
2018 Bank of Colorado Loan	480,017
2022 CWRPDA Loan	2,668,261
Water Purchase Restriction	14,382,212
2023 Series Bond	964,827
Total	20,487,193

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 RESTRICTED CASH AND INVESTMENTS (CONTINUED)

Governmental Activities:	
2023 Certificates of Participation	706,475
Revolving Loan Fund	25,000
Museum Bequest	7,456
Total	738,931
Total Restricted Cash and Investments	\$ 21,226,124

NOTE 5 INTERFUND RECEIVABLES, PAYABLE, AND TRANSFERS

The composition of interfund advance balances as of December 31, 2024, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Golf Course Fund	\$ 6,066,477
Total		\$ 6,066,477

The amounts payable to the general fund relate to the certificates of participation, which were issued in June 2023, to pay off the outstanding golf course debt in the amount of \$5,095,000 representing the par value and accrued interest on the 1996 construction bonds.

The composition of interfund transfers as of December 31, 2024, is as follows:

	Transfers In				Total
	Recreation Center Fund	Utility Enterprise Fund	Cemetery Fund	Culture, Parks and Recreation Fund	
Transfers Out:					
General Fund	\$ -	\$ 509,563	\$ 120,000	\$ 32,143	\$ 661,706
Culture, Parks and Recreation Fund	2,000,000	-	-	-	2,000,000
Total	\$ 2,000,000	\$ 509,563	\$ 120,000	\$ 32,143	\$ 661,706

The general fund transfers 100% of the museum's expenditures to the Culture, Parks and Recreation Sales Tax (CPR Fund). This transfer ensures none of the sales tax collected for the operation of the CPR fund are used in for purposes not approved by the voters. Annually, the general fund transfers funds to cover the costs of irrigation water to the cemetery fund. The Council approved the transfer from the general fund to the utility enterprise fund to cover costs of major infrastructure project that involved replacing water, sewer and storm drainage lines. The Council approved the transfer from the culture, parks and recreation fund to the recreation center fund to assist with covering construction costs for the new recreation center facility.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 CAPITAL ASSETS

Capital Asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 10,572,723	\$ -	\$ -	\$ -	\$ 10,572,723
Water Rights	823,700	1,350,000	-	-	2,173,700
Construction in Progress	7,657,248	2,172,740	-	(1,718,134)	8,111,854
Total Capital Assets, Not Being Depreciated	<u>19,053,671</u>	<u>3,522,740</u>	<u>-</u>	<u>(1,718,134)</u>	<u>20,858,277</u>
Capital Assets Being Depreciated:					
Building and Improvements	4,303,809	880,160	(77,417)	1,183,437	6,289,989
Land Improvements	3,049,724	1,737,567	(161,233)	439,122	5,065,180
Equipment and Machinery	6,251,315	649,469	(992,551)	-	5,908,233
Furniture and Fixtures	18,059	-	(18,059)	-	-
Infrastructure	53,006,030	-	-	95,575	53,101,605
Subtotal	<u>66,628,937</u>	<u>3,267,196</u>	<u>(1,249,260)</u>	<u>1,718,134</u>	<u>70,365,007</u>
Less: Accumulated Depreciation for:					
Buildings and Improvements	(2,896,986)	(169,160)	55,751	-	(3,010,395)
Land Improvements	(1,404,214)	(226,842)	161,233	-	(1,469,823)
Equipment and Machinery	(4,502,788)	(465,549)	917,475	-	(4,050,862)
Furniture and Fixtures	(18,059)	-	18,059	-	-
Infrastructure	(20,014,678)	(4,652,948)	-	-	(24,667,626)
Subtotal	<u>(28,836,725)</u>	<u>(5,514,499)</u>	<u>1,152,518</u>	<u>-</u>	<u>(33,198,706)</u>
Total Capital Assets Being Depreciated, Net	37,792,212	(2,247,303)	(96,742)	1,718,134	37,166,301
Right-to-Use Lease Assets and SBITAs:					
Buildings	273,862	-	-	-	273,862
Equipment	20,645	191,494	(7,225)	-	204,914
Vehicles	632,392	-	-	-	632,392
Software	186,064	142,898	-	-	328,962
Subtotal	<u>1,112,963</u>	<u>334,392</u>	<u>(7,225)</u>	<u>-</u>	<u>1,440,130</u>
Less: Accumulated Amortization for:					
Buildings	(45,644)	(54,772)	-	-	(100,416)
Equipment	(11,793)	(41,183)	7,225	-	(45,751)
Vehicles	(209,088)	(134,299)	-	-	(343,387)
Software	(35,502)	(86,631)	-	-	(122,133)
Subtotal	<u>(302,027)</u>	<u>(316,885)</u>	<u>7,225</u>	<u>-</u>	<u>(611,687)</u>
Total Right-to-Use Assets, Net	<u>810,936</u>	<u>17,507</u>	<u>-</u>	<u>-</u>	<u>828,443</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 57,656,819</u>	<u>\$ 1,292,944</u>	<u>\$ (96,742)</u>	<u>\$ -</u>	<u>\$ 58,853,021</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-Type Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 3,755,280	\$ -	\$ -	\$ -	\$ 3,755,280
Water Rights	48,149,654	-	-	-	48,149,654
Construction in Progress	9,934,589	12,497,096	(260,471)	(3,025,327)	19,145,887
Total Capital Assets, Not Being Depreciated	<u>61,839,523</u>	<u>12,497,096</u>	<u>(260,471)</u>	<u>(3,025,327)</u>	<u>71,050,821</u>
Capital Assets Being Depreciated:					
Wells	1,027,539	-	-	-	1,027,539
Land Improvements	1,103,178	-	(2,500)	-	1,100,678
Buildings	21,208,245	9,414,389	(14,939)	3,025,327	33,633,022
Utility Systems	36,698,948	-	-	-	36,698,948
Equipment	6,283,189	4,845,339	(491,562)	-	10,636,966
Subtotal	<u>66,321,099</u>	<u>14,259,728</u>	<u>(509,001)</u>	<u>3,025,327</u>	<u>83,097,153</u>
Less: Accumulated Depreciation for:					
Wells	(606,438)	(25,495)	-	-	(631,933)
Land Improvements	(990,515)	(13,657)	2,500	-	(1,001,672)
Buildings	(13,559,439)	(660,162)	14,939	-	(14,204,662)
Utility Systems	(14,911,227)	(1,069,582)	-	-	(15,980,809)
Equipment	(4,149,687)	(739,365)	491,562	-	(4,397,490)
Subtotal	<u>(34,217,306)</u>	<u>(2,508,261)</u>	<u>509,001</u>	<u>-</u>	<u>(36,216,566)</u>
Total Capital Assets Being Depreciated, Net	<u>32,103,793</u>	<u>11,751,467</u>	<u>-</u>	<u>3,025,327</u>	<u>46,880,587</u>
Right-to-Use Lease Assets and SBITAs:					
Land	2,173,297	-	-	-	2,173,297
Office Equipment	180,650	-	(180,650)	-	-
Vehicles	28,634	-	-	-	28,634
Subtotal	<u>2,382,581</u>	<u>-</u>	<u>(180,650)</u>	<u>-</u>	<u>2,201,931</u>
Less: Accumulated Amortization for:					
Land	(430,711)	(215,355)	-	-	(646,066)
Office Equipment	(127,518)	(53,132)	180,650	-	-
Vehicles	(9,858)	(5,633)	-	-	(15,491)
Subtotal	<u>(568,087)</u>	<u>(274,120)</u>	<u>180,650</u>	<u>-</u>	<u>(661,557)</u>
Total Right-to-Use Assets, Net	<u>1,814,494</u>	<u>(274,120)</u>	<u>-</u>	<u>-</u>	<u>1,540,374</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 129,975,116</u>	<u>\$ 23,974,443</u>	<u>\$ (260,471)</u>	<u>\$ -</u>	<u>\$ 119,471,782</u>

Depreciation and amortization expense was charged to functions/programs of the primary government are as follows:

Governmental Activities:	
General Government	\$ 266,420
Public Safety	269,129
Public Works	4,952,567
Culture, Parks and Recreation	<u>343,268</u>
Total	5,831,384
Business-Type Activities:	
Utility	2,229,894
Storm Drainage	112,986
Golf Course	121,732
Recreation	<u>317,769</u>
Total	<u>2,782,381</u>
Total Depreciation and Amortization	<u>\$ 8,613,765</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Unit Capital Asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Library Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 850,754	\$ -	\$ -	\$ -	\$ 850,754
Construction in Progress	8,156,626	-	-	(8,156,626)	-
Total Capital Assets, Not Being Depreciated	<u>9,007,380</u>	<u>-</u>	<u>-</u>	<u>(8,156,626)</u>	<u>850,754</u>
Capital Assets Being Depreciated:					
Building and Improvements	60,135	30,810	-	8,156,626	8,247,571
Furniture and Fixtures	295,483	-	-	-	295,483
Subtotal	<u>355,618</u>	<u>30,810</u>	<u>-</u>	<u>8,156,626</u>	<u>8,543,054</u>
Less: Accumulated Depreciation for:					
Buildings and Improvements	(60,135)	(136,457)	-	15,676	(180,916)
Furniture and Fixtures	(15,676)	(59,097)	-	(15,676)	(90,449)
Subtotal	<u>(75,811)</u>	<u>(195,554)</u>	<u>-</u>	<u>-</u>	<u>(271,365)</u>
Total Capital Assets Being Depreciated, Net	<u>279,807</u>	<u>(164,744)</u>	<u>-</u>	<u>8,156,626</u>	<u>8,271,689</u>
Total Library Activities Capital Assets, Net	<u>\$ 9,287,187</u>	<u>\$ (164,744)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,122,443</u>

The Library building is part of Fort Lupton High School and is owned by Weld County School District RE-8. Although the Library owns all the contents, collections, and equipment in the Library none of these items exceed the \$25,000 limit required for capitalization.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT

A summary of the changes in the City's long-term liabilities for the year ended December, 2024, are as follows:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Amount Due Within One Year
Governmental Activities:					
Direct Purchases - Certificates of Participation	\$ 4,945,000	\$ -	\$ (400,000)	\$ 4,545,000	\$ 415,000
Premium	306,884	-	(30,946)	275,938	-
Total Certificates of Participation Payable	5,251,884	-	(430,946)	4,820,938	415,000
Leases Payable	696,123	191,494	(190,669)	696,948	218,936
Subscriptions Payable	74,164	135,398	(82,902)	126,660	81,536
Compensated Absences (1)	647,080	(45,017)	-	602,063	137,056
Total Governmental Activities	<u>\$ 6,669,251</u>	<u>\$ 281,875</u>	<u>\$ (704,517)</u>	<u>\$ 6,246,609</u>	<u>\$ 852,528</u>

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Amount Due Within One Year
Business-Type Activities:					
Revenue Bonds	\$ 34,942,920	\$ -	\$ (582,920)	\$ 34,360,000	\$ 655,000
Revenue Bonds Premium	3,474,038	-	(141,813)	3,332,225	-
Total Revenue Bonds Payable	38,416,958	-	(724,733)	37,692,225	655,000
General Obligation Bonds Payable	26,670,443	50,000	(828,697)	25,891,746	839,943
Financed Purchase Arrangement	-	648,118	-	648,118	87,259
Leases Payable	1,820,491	-	(254,937)	1,565,554	199,993
Compensated Absences (1)	129,027	17,650	-	146,677	20,866
Total Business-Type Activities	<u>\$ 67,036,919</u>	<u>\$ 715,768</u>	<u>\$ (1,808,367)</u>	<u>\$ 65,944,320</u>	<u>\$ 1,803,061</u>

(1) The change in the compensated absence liability is presented as a net change.

Financed Purchase Arrangement

During the current fiscal year, the City entered into a finance purchase arrangement in the amount of \$698,118. Principal and interest is due in five payments annually, at an interest rate of 5.64%. The financing is being used for the purchase of golf course equipment. The equipment is secured as collateral for the borrowing. The business-type activities outstanding financed purchase arrangement obligation at December 31, 2024, is as follows:

<u>Year Ending December 31,</u>	<u>Business-Type</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 87,259	\$ 60,971	\$ 150,255
2026	89,241	53,157	144,424
2027	91,334	45,100	138,461
2028	93,545	36,915	132,488
2029	286,739	28,422	317,190
Total	<u>\$ 648,118</u>	<u>\$ 224,565</u>	<u>\$ 882,818</u>

Enterprise Bonds and Notes Payable

The City issues bonds to provide funds for utility and infrastructure projects, including the acquisition and construction of major capital facilities. Revenue bonds and notes payable outstanding at December 31, 2024, are as follows:

\$2,300,000 Revenue Bond, Series 2005, owned by the Colorado Water Resources and Power Development Authority for the purchase of 3 units of Windy Gap water. Principal payment due on November 1, 2006 through 2025. Principal and interest are payable each May 1 and November 1, thereafter, with interest rates varying between 3% to 4.625%.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT (CONTINUED)

Enterprise Bonds and Notes Payable (Continued)

\$25,195,000 Revenue Bond, Series 2019, for the purchase of 10 units of Windy Gap Water. Principal payments due annually December 1, 2023 through 2047. Interest due June 1 and December 1, 2019 through 2047 with rates varying from 2% to 5%.

\$10,000,000 Principal with a \$627,990 Premium, General Obligation Bond Series 2023 for the construction of additions to the Recreation Center. Principal and interest payments due December 1 starting in 2023 ending December 1, 2052. Interest only payments due June 1 starting 2023. Interest rates start at 5% and decrease to 4% in 2043. The Recreation Center Construction Bonds are general obligation bonds paid with a voter approved dedicated mill levy.

\$4,396,456 Carter Lake Pipeline Construction Loan from the State of Colorado through the Colorado Water Conservation Board. The forty-year loan requires annual payments of \$160,716 beginning January 1, 1997, and provides for interest at 2%.

\$5,500,000 Loan from the Bank of Colorado. This twenty-year loan requires monthly payments of \$36,365 beginning December 30, 2019 and ending November 30, 2038 with an interest rate of 4.95% per annum.

\$25,000,000 Wastewater Revenue Loan with \$1,500,000 in loan forgiveness, owned by the Colorado Water Resources and Power Development Authority. Payments of principal and interest are due every May 1 and November 1, starting in 2023 and ending in 2052. Interest rates is a fixed 2.75%.

The business-type activities outstanding bonds and notes obligations at December 31, 2024, is as follows:

<u>Year Ending December 31.</u>	<u>Principal</u>	<u>Premiums</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,494,943	\$ 141,813	\$ 2,344,316	\$ 3,981,072
2026	1,572,260	141,813	2,297,153	4,011,226
2027	1,665,568	141,813	2,239,611	4,046,992
2028	1,754,382	141,813	2,178,326	4,074,521
2029	1,830,292	141,813	2,179,672	4,151,777
2030-2034	10,318,899	709,065	9,462,290	20,490,254
2035-2039	12,090,417	709,065	7,099,611	19,899,093
2040-2044	12,919,789	709,065	4,683,567	18,312,421
2045-2049	11,938,119	475,032	1,895,687	14,308,838
2050-2052	4,667,077	20,933	278,485	4,966,495
Total	<u>\$ 60,251,746</u>	<u>\$ 3,332,225</u>	<u>\$ 34,658,718</u>	<u>\$ 98,242,689</u>

The Bank of Colorado loan for the construction of a 152-acre foot water storage reservoir located at the water treatment plant is collateralized with shares of Colorado Big Thompson Water.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT (CONTINUED)

Enterprise Bonds and Notes Payable (Continued)

The City has pledged future water revenues from the Utility Fund to repay revenue bonds. The bonds were issued for the purchase of Windy Gap water shares and the construction of various water infrastructure including wells and water distribution lines. At December 31, 2024 net revenue available for service of debt was \$6,531,111. Debt principal and interest paid in 2024 equals \$1,863,205 (29% of available pledged revenues).

Governmental Activities Certificates of Participation

The City obtained financing to pay off the outstanding golf course debt accrued on the 1996 construction bonds. The Fort Lupton City Hall Complex, including the City Hall and Koshio Park, was used as collateral for the issuance by Lease Indenture for which base rental fees are paid to the Trustee and then distributed for the payment of the certificates and related interest. The certificates of participation outstanding obligation at December 31, 2024, is as follows:

\$5,095,000 General Certificates of Participation, Series 2023 with a \$322,358 premium and a 5% interest rate. Principal and interest payments are due June 1 and December 1, 2023 and ending December 1, 2033. The debt service requirements for the certificates of participation is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Premiums</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 415,000	\$ 30,946	\$ 210,950	\$ 656,896
2026	435,000	30,946	218,700	684,646
2027	455,000	30,946	225,700	711,646
2028	475,000	30,947	232,200	738,147
2029	500,000	30,946	243,200	774,146
2030-2034	2,265,000	121,207	1,082,550	3,468,757
Total	<u>\$ 4,545,000</u>	<u>\$ 275,938</u>	<u>\$ 2,213,300</u>	<u>\$ 7,034,238</u>

Leases Payable

The City leases equipment as well as long-term, noncancelable lease agreements. The leases expire at various dates through 2032 and provide for various renewal options. The leases have payments that range from \$1,522 to \$254,663 and interest rates that range from 2.4500% to 4.0700%. The right-to-use lease assets and the related accumulated amortization are detailed in Note 6.

Principal and interest requirements to maturity under lease agreements are as follows:

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

<u>Year Ending December 31,</u>	<u>Business-Type</u>		<u>Governmental Activites</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 199,993	\$ 60,971	\$ 218,936	\$ 17,937	\$ 497,837
2026	207,808	53,157	214,003	10,785	485,753
2027	211,226	45,100	209,479	4,171	469,976
2028	217,748	36,915	54,530	965	310,158
2029	226,241	28,422	-	-	254,663
2030-2032	502,538	30,937	-	-	533,475
Total	<u>\$ 1,565,554</u>	<u>\$ 255,502</u>	<u>\$ 696,948</u>	<u>\$ 33,858</u>	<u>\$ 2,551,862</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT (CONTINUED)

Subscription-Based Information Technology Arrangements

The City has entered into subscription based-information technology arrangements (SBITAs) for various software. The SBITA arrangements expire at various dates through 2026 and provide for renewal options. The right-to-use SBITA assets and the related accumulated amortization are detailed in Note 6

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 81,536	\$ 3,775	\$ 85,311
2026	45,124	1,293	46,417
Total	<u>\$ 126,660</u>	<u>\$ 5,068</u>	<u>\$ 131,728</u>

Discretely Presented Component Units

Long-term debt activity for the year ended December 31, 2024 are as follows:

FLURA General Fund

A ten-year \$50,000 loan from the City to FLURA. FLURA makes \$5,000 payments each year to the City. The remaining balance as of December 31, 2024 is \$10,000. No interest rates specified in the loan.

Library General Fund

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
Accrued Compensated Absences (1)	\$ 32,119	\$ -	\$ (2,403)	\$ 29,716	\$ 16,652

(1) The change in the compensated absence liability is presented as a net change.

NOTE 8 NET POSITION AND FUND BALANCE

Net Position

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2024, are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Investment in Capital Assets:		
Capital Assets, net	\$ 58,024,578	\$ 119,471,782
Right-to-Use Assets, net	828,443	
Lease Liability	(696,948)	(1,565,554)
SBITA liability	(126,660)	-
Less Capital Related Debt	-	(60,899,864)
Less Deferred Refunding Amounts and Bond Premiums and Discounts (Net)	-	(3,332,225)
Less Capital Related Payables	(412,902)	(2,846,893)
Investment in Capital Assets, Net	<u>\$ 57,616,511</u>	<u>\$ 50,827,246</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 NET POSITION AND FUND BALANCE (CONTINUED)

The fund balance classifications of the governmental funds as of December 31, 2024, were as follows:

	General Fund	Culture, Parks and Recreation Fund	Nonmajor Governmental Funds	Total
Nonspendable Fund Balance	\$ 6,087,631	\$ 85	\$ 72	\$ 6,087,788
Restricted Fund Balance:				
Emergency Reserves:				
A Portion Restricted for				
Emergencies as Defined Under				
Article X, Section 20 to the				
Colorado Constitution also				
known as the Taxpayer's Bill				
of Rights (TABOR)				
	902,395	72,206	3,621	978,222
Children's Fund:				
Private Donations made to the				
Police Department				
	30,509	-	-	30,509
Debt Service:				
To maintain reserve for the COPs				
and revolving loan				
	731,475	-	-	731,475
Street Sales Tax:				
To maintain, build, and replace				
streets, sidewalks, curbs, and gutters				
	5,664,951	-	-	5,664,951
Evidence:				
Cash Taken into Evidence as				
Part of Police Investigations				
	8,382	-	-	8,382
Water Sales Tax:				
To Support Maintenance of				
Water Systems, Assure Quality,				
and Quantity and Acquire Water				
	8,675,823	-	-	8,675,823
Culture Parks and Recreation				
Sales Tax Fund:				
To Provide Culture and Recreation				
Programs and Maintain Parks				
	-	4,902,380	-	4,902,380
Memorial Trust Fund:				
Administer Funds Donated to				
the Cemetery				
	-	-	588	588
Perpetual Care Cemetery Fund:				
Maintain Cemetery Grounds,				
Provide Services, and				
Acquire New Property				
	-	-	80,716	80,716
Conservation Trust Fund:				
For the Administration of				
Lottery Funds				
	-	-	247,023	247,023
Total Restricted Fund Balance	16,013,535	4,974,586	331,948	21,320,069

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 NET POSITION AND FUND BALANCE (CONTINUED)

Net Position (Continued)

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Committed Fund Balance:				
Police Equipment	3,861	-	-	3,861
Victims Compensation	158,163	-	-	158,163
Court Surcharge	49,506	-	-	49,506
Total Committed Fund Balance	211,530	-	-	211,530
Assigned Fund Balance:				
City Hall Construction Reserve	15,000,000	-	-	15,000,000
Field of Honor	58,155	-	-	58,155
Total Assigned Fund Balance	15,058,155	-	-	15,058,155
Unassigned	20,734,537	-	-	20,734,537
Total Fund Balance	<u>\$ 58,105,388</u>	<u>\$ 4,974,671</u>	<u>\$ 332,020</u>	<u>\$ 63,412,079</u>

The restricted net position of \$14,382,212 in the business-type funds is primarily for the purchase of water.

Net Position Library

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2024, are as follows:

	<u>Library</u>
Net Investment in Capital Assets:	
Capital Assets, net	\$ 9,122,443
Less Capital Related Payables	-
Investment in Capital Assets, Net	<u>\$ 9,122,443</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 NET POSITION AND FUND BALANCE (CONTINUED)

Net Position Library (Continued)

Discretely presented component units restricted and unassigned fund balances are as follows:

	Library General Fund	FLURA General Fund
Restricted Net Position:		
Emergency Reserves:		
A Portion Restricted for Emergencies as Defined Under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer's Bill of Rights (TABOR)	\$ 125,870	\$ 10,863
Restricted Donations:		
Private Donations made to the Library	116,017	-
Total Restricted Net Position	241,887	10,863
Investment in Capital Assets	9,122,443	-
Unrestricted	10,851,624	811,408
Total Net Position	\$ 20,215,954	\$ 822,271

NOTE 9 RETIREMENT PLAN

The City and its employees participate in a defined contribution pension plan with AIG Retirement. Benefit terms, including contribution requirements, for the plan are established and may be amended by the City's Council. Employees are immediately vested in their own contributions and earnings on those contributions and become vested in the City contributions and earnings on City contributions on a 5-year vesting schedule.

A defined contribution plan states that the contributions of the employee and contributions of the City are, although invested jointly, maintained in separate accounts for each employee. The amount of benefit to be received at retirement is determined by the number of monies accumulated in the employee's account at the time of retirement. All sworn police department employees contribute 10.7% of their salaries to the plan with all other employees contributing 4.5% of their salaries to the plan. All sworn police department employees receive matching contributions up to 9.7% of their earnings to the plan with all other employees receiving matching contributions up to 4% of their earnings to the plan. The total amount of the City's current year covered payroll was \$8,788,231 and the total current year payroll was \$9,650,503. The City matches the respective contributions, with the total pension expense during 2024 amounting to \$564,380.

The FPPA of the State of Colorado continues to provide death and disability to all police officers in accordance with state statutes, Section 31-30-1008; C.R.S. Survivors' benefits are available for spouses, dependent parents and children under the age of 18.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 9 RETIREMENT PLAN (CONTINUED)

Component Units

The Library employees participate in the City's defined contribution pension plan with AIG Retirement. Employees' contribute 4.5% of their salaries to the plan. The total amount of the Library's current year covered payroll was \$765,931 and the total current year payroll was \$866,772. The Library matches the respective contributions, with the total pension expense during 2024 amounting to \$34,467.

NOTE 10 CONTINGENCY

The City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The ultimate liability to the City resulting from claims not covered by CIRSA is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the City's financial statements.

NOTE 11 RISK MANAGEMENT

Fort Lupton is exposed to various risks of loss related to torts: theft of, damage to, destruction of assets: errors and omissions: injuries to employees: and natural disasters. The City carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. On January 1, 1984, the City Council authorized participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). A separate and independent governmental and legal entity, which was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, C.R.S. as amended, 29-1-101 et. seq., C.R.S., as amended, 29-13-102, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2).

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member in CIRSA against stated liability or loss to the limit of the financial resources of CIRSA. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

The scope, terms, conditions and limitations of the coverages are governed by the applicable coverage policies and/or excess coverage policies, the CIRSA bylaws, and other applicable documents. There has been no change in the deductibles or coverage over the last three years. The types and monetary limits of the coverages are generally described below.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 RISK MANAGEMENT (CONTINUED)

Types of Coverages

Subject to the limit of CIRSA's liability as described in Section II below:

1. Property coverage.
2. Liability coverage.
 - a. General liability.
 - b. Auto liability.
 - c. Law enforcement liability.
 - d. Public official errors and omissions liability.
 - e. Excess liability (for federal and out-of-state public official's claims and federal and out-of-state law enforcement).
3. Crime coverage (including employee dishonesty and money and securities).
4. Supplemental defense cost coverage for Colorado liability claims.

Excess Insurers, Aggregate Limits, and Member Deductible

For the coverages described in Section I, CIRSA is liable only for payment of the applicable self-insured retentions and only to a total annual aggregate amount for CIRSA members as a whole of the amount of the applicable CIRSA loss fund for the coverage period. There is no aggregate excess coverage over any loss fund. Only the applicable excess insurers in applicable excess and reinsurance policies shall be payable, and only by those excess insurers in excess of these CIRSA self-insured retentions. Fort Lupton has no settlements that exceeded insurance coverage in the past three years.

A member-selected deductible applies to each municipality's claims/occurrences. Payment of the deductible shall reduce the amount otherwise payable under the applicable CIRSA retention.

2024 Cirsa Self-Insured Retentions

1. \$500,000 per claim/occurrence property
2. \$1,000,000 per claim/occurrence liability
3. \$100,000 per claim/occurrence Public Officials Liability.

2024 Cirsa Loss Fund Amounts

Loss fund amounts are as adopted or amended from time to time by the Board of Directors based on the members in the property/casualty pool for the year and interest earnings on those amounts. Information on current loss fund amounts is available from the CIRSA Deputy Executive Director/Chief Financial Officer, at (303) 757-5475.

There is a deductible paid by the City of \$1,000 (liability) and \$1,000 (property), which applies to each of its claims/occurrences.

Fort Lupton continues to carry CIRSA insurance for Workers' Compensation, and Voluntary Accident Medical Insurance for volunteer and service workers.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an on-going financial interest or an on-going financial responsibility. The City participates in the following joint venture:

Northern Colorado Water Conservancy District – NISP

Northern Colorado Water Conservancy District (District), a quasi-municipal entity and political subdivision of the State of Colorado was established July 6, 1970, pursuant to the Water Conservancy District Act. Acting by and through its Northern Integrated Supply Project Water Activity Enterprise (NISP) (a government owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. 37-45,1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513. In January 2003, Fort Lupton entered into an agreement with NISP in developing a water project for the purpose of developing a new reliable water supply.

Overall Project costs will be divided among the entities that participate in the Project.

The First Phase of the Project consisted of preliminary studies to evaluate both the potential of Poudre reservoir sites and the South Platte Water Conservation Project. The First Phase has been accomplished and there appears to be potential project configurations that may serve the needs of the Project.

The Second Phase of the Project, which consists of additional reservoir site evaluations, alternatives analysis, environmental studies, financial analyses, and related work, will require funding to complete the phase.

The Third Phase of the Project consists of further agency consultation, permitting with the U.S. Army Corps of Engineers and other agencies, compliance with the National Environmental Policy Act and other requirements for federal permitting, field work and analysis for permitting, modeling, and other activities related to designing and permitting the Project.

The City has agreed to provide to the NISP Enterprise funds for its pro rata share of the costs necessary to complete the Project.

Our pro rata share is:

<u>Year Ending December 31,</u>	<u>Amount</u>
2005-2019	\$ 1,980,562
2020	1,537,500
2021	748,250
2022	973,750
2023	1,184,695
2024	1,399,125
Total	<u>\$ 7,823,882</u>
2024 - 1,000 AF sold	<u>(3,875,000)</u>
Net cost to the City	<u><u>\$ 3,948,882</u></u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 JOINT VENTURES (CONTINUED)

Northern Colorado Water Conservancy District – NISP (Continued)

Investments in the joint ventures by governmental funds are recorded as expenditures at the time the investment is made.

Complete financial statements of the District can be obtained from Northern Colorado Water Conservancy District.

Town of Hudson

The Town of Hudson and the City are Colorado municipal corporations empowered to enter into intergovernmental agreements pursuant to the provisions of Article XIV, Section 18 of the Constitution of the State of Colorado, and the provisions of C.R.S. 29-1-201 et seq. in those circumstances where governmental entities may make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with each other to accomplish mutually beneficial ends.

They entered into an Intergovernmental Agreement on July 26, 1995, to jointly provide for the construction, operation and maintenance of the water treatment plant to treat raw water, owned, controlled by the respective parties hereto, which water when treated will be available for use and consumption by the residents and customers of Hudson and Fort Lupton respectively.

Upon completion of the original water treatment plant, each party owned the following rights and interests: Fort Lupton owned an undivided five-sixths (5/6ths) of the treatment capacity of said plant, as well as an undivided five-sixths (5/6ths) of the personal property which constitutes the physical plant. Hudson owned the remaining undivided one-sixth (1/6th) of the treatment capacity and personal property constituting the physical plant. Each party shall own as its sole and separate property the right to deliver to the plant for treatment the raw untreated water that it owns or controls and is entitled to receive by means of the Northern Colorado Water Conservancy District's Southern Water Supply Project.

A separate flow meter is installed at the discharge point of the plant and at which treated water is delivered to the separate delivery systems of Fort Lupton and Hudson, which separate flow meters shall measure the number of gallons of treated water delivered to each party. On a monthly basis, the total of the treated water delivered from the plant to each party shall be added together to determine the total number of gallons in and delivered from the plant. The number of gallons of treated water separately delivered to Hudson shall then become the numerator in a fraction in which the entire total of treated gallons delivered to both parties is the denominator. The fraction which results shall be multiplied by the total operations and maintenance costs incurred by the operator in operating the plant during the month, and shall constitute the cost to each party of operations and maintenance for the month including fixed monthly operating costs. Hudson's amount shall be billed to Hudson on or before the 12th day of the following calendar month, and must be received by the next to the last business day of the calendar month.

Complete financial statements for the Town of Hudson may be obtained from the Town of Hudson, Colorado.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 JOINT VENTURES (CONTINUED)

Tri-State Generation and Transmission Association, Inc.

Tri-State Generation and Transmission Association, Inc. (Tri-State) and the City entered into an agreement to build a 252-acre foot water storage reservoir on the City's water treatment plant (WTP) facility grounds. Tri-State owns 100-acre feet. The City owns the remaining approximately 152-acre feet.

Design costs of the reservoir were split equally between the City and Tri-State. The construction costs were apportioned based on the benefit of the infrastructure, Tri-State benefit, City benefit, and Common benefit. Each entity paid 100% of the infrastructure construction costs that benefited them. The Common benefit infrastructure costs were apportioned by the pro-rata share of storage capacity.

The City granted Tri-State an easement and access to the WTP grounds. Tri-State has a pipeline and pump station of the WTP grounds and will be responsible for all maintenance.

NOTE 13 TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The City believes it follows the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine its compliance.

As a result of this constitutional requirement, the residents of Fort Lupton, in 1993, passed Referendum A. This referendum requires that if, in any given year, the City has revenues in excess of current spending limits due to property (ad valorem), sales, or use taxes, then that excess must be used for water and wastewater projects, purchase of water rights, and construction of the water system.

In 2010, the residents of Fort Lupton renewed the ½ cent Sales and Use Tax for Street Improvements for 20 years; in 2001, the ½ cent Sales and Use Tax for Culture, Parks and Recreation was renewed for 20 years; in 2002, the residents approved a \$6.7 million general obligation tax to construct a Recreation Center, and in 2005 the citizens authorized extension of the ½ cent water sales tax slated to expire in 2006 for an additional 20 years. All four of these issues have been exempted from the revenue restrictions of Article X, Section 20, and from the requirements of Referendum A.

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 14 COMMITMENTS AND CONTRACTS & BUDGET OVERAGES

The City and Jacobs Engineering Group entered into an agreement for compensation for services to manage, operate, and maintain the effluent discharged from the Wastewater Treatment Plant and the finished water discharged for the Water Treatment Facility. Compensation for services is negotiated every three years. Compensation for years two & three will be adjusted based on the base fee adjustment formula shown in Appendix F of the negotiated agreement. Subsequent years' base fees shall be determined as hereinafter specified. The 2024 fees were \$141,312. An 8% increase compared to 2023.

On April 1, 2013 the City entered into a 10-year agreement with Consolidated Mutual Water Company to lease 150-acre feet of water storage in the Perry Pit East Reservoir. The lease base rate is \$206.21 per acre foot of water capacity. The rate will increase annually based on a formula in paragraphs 6 (b) (c) and (d) of the lease agreement. Subsequently, the City has agreed to lease the remaining 300-acre feet of capacity in the Perry Pit East Reservoir for the same terms as the initial lease and an additional 50-acre feet. The 2024 cost of the lease was \$279,363. An increase of 3% compared to 2023.

NOTE 15 SALES TAX REBATES

In 2013 the City entered into an annexation agreement with L.G. Everest, Inc. The agreement contains a "Development Incentive Payment" requiring the City to refund the City's portion of sales tax collected by the State Department of Revenue for the previous year less \$35,000 by April 30. There was \$13,980 paid in 2024 and therefore, no sales tax rebate refunded in 2024.

NOTE 16 ACCOUNTING CHANGES

Changes to or within Financial Reporting Entity

The Culture, Parks, and Recreation Fund previously met the criteria to be reported as a nonmajor governmental fund. During the year ended December 31, 2024, the City elected to present this fund as a major fund. The effect of that change to or within the financial reporting entity is shown in the table below.

	Funds	
	Culture, Parks, and Recreation Fund	Nonmajor Governmental Funds
December 31, 2024, As Previously Reported	\$ -	\$ 6,421,863
Change in Fund Presentation from Nonmajor to Major	5,931,478	(5,931,478)
December 31, 2024, As Adjusted or Restated	<u>\$ 5,931,478</u>	<u>\$ 490,385</u>

**CITY OF FORT LUPTON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 17 COMPLIANCE

The Water Sales Tax Fund, Culture Parks and Recreation Sales Tax Fund, and Conservation Trust Fund may be in violation of state statutes as the expenditures exceed the appropriated budgets.

Fund Name	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
Governmental Funds				
Water Sales Tax Fund	3,249,421	3,249,421	3,795,586	(546,165)
Culture, Parks, and Recreation Sales Tax Fund	1,310,120	1,310,120	1,363,671	(53,551)
Conservation Trust Fund	3,120	3,120	344,990	(341,870)

NOTE 18 SUBSEQUENT EVENTS

On June 12, 2025, the City entered into a Drinking Water State Revolving Fund loan agreement with the Colorado Water Resources and Power Development Authority, which provides funds to finance a portion of the costs of certain water resource projects. The loan was executed in the principal amount of \$6,000,000, of which \$3,000,000 is in the form of principal forgiveness. The interest rate on the note is 1.75% and the maturity date is May 1, 2055. The loan proceeds are for a portion of the project to install an elevated storage tank, a new pump station, and associated pipelines. Proceeds will be received on a reimbursement basis.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF FORT LUPTON
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes and Assessments	\$ 14,720,871	\$ 14,720,871	\$ 16,664,868	\$ 1,943,997
Licenses and Permits	327,500	327,500	893,524	566,024
Intergovernmental	1,475,325	1,475,325	1,897,366	422,041
Charges for Services	762,700	762,700	1,207,223	444,523
Fines and Forfeits	190,850	190,850	99,708	(91,142)
Interest Income	350,000	350,000	1,637,761	1,287,761
Other	571,659	571,659	436,105	(135,554)
Total Revenues	<u>18,398,905</u>	<u>18,398,905</u>	<u>22,836,555</u>	<u>4,437,650</u>
EXPENDITURES				
General Government	5,708,217	5,753,171	5,675,924	77,247
Public Safety	5,538,454	5,513,500	4,468,407	1,045,093
Public Works	3,131,879	3,131,879	3,020,121	111,758
Other	1,167,500	1,167,500	1,739,584	(572,084)
Capital Outlay	4,250,866	4,230,866	3,062,699	1,168,167
Debt Service:				
Principal	400,000	400,000	673,571	(273,571)
Interest	247,250	247,250	274,778	(27,528)
Debt Issuance Cost	-	-	2,500	(2,500)
Total Expenditures	<u>20,444,166</u>	<u>20,444,166</u>	<u>18,917,584</u>	<u>1,526,582</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,045,261)	(2,045,261)	3,918,971	5,964,232
OTHER FINANCING SOURCES (USES)				
Transfers Out	(172,520)	(172,520)	(152,143)	20,377
Lease Proceeds	-	-	183,994	183,994
SBITA Proceeds	-	-	142,898	142,898
Insurance Proceeds	-	-	505,108	505,108
Proceeds from Sale of Capital Assets	-	-	109,394	109,394
Total Other Financing Sources (Uses)	<u>(172,520)</u>	<u>(172,520)</u>	<u>789,251</u>	<u>961,771</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,217,781)</u>	<u>\$ (2,217,781)</u>	4,708,222	<u>\$ 6,926,003</u>
Fund Balances - Beginning of Year			<u>36,627,091</u>	
FUND BALANCES - END OF YEAR			<u>\$ 41,335,313</u>	

See accompanying Notes to Required Supplementary Information

**CITY OF FORT LUPTON
CULTURE, PARKS, AND RECREATION SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes and Assessments	\$ 1,219,512	\$ 1,219,512	\$ 1,625,918	\$ 406,406
Charges for Services	113,500	113,500	120,918	7,418
Interest Income	3,500	3,500	209,221	205,721
Other	270,000	270,000	418,664	148,664
Total Revenues	<u>1,606,512</u>	<u>1,606,512</u>	<u>2,374,721</u>	<u>768,209</u>
EXPENDITURES				
Current:				
Culture, Parks, and Recreation	913,393	913,393	919,773	(6,380)
Capital Outlay	<u>396,727</u>	<u>396,727</u>	<u>443,898</u>	<u>(47,171)</u>
Total Expenditures	<u>1,310,120</u>	<u>1,310,120</u>	<u>1,363,671</u>	<u>(53,551)</u>
EXCESS REVENUES OVER EXPENDITURES	296,392	296,392	1,011,050	714,658
OTHER FINANCING SOURCES (USES)				
Transfers In	52,520	52,520	32,143	(20,377)
Transfers Out	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,947,480)</u>	<u>(1,947,480)</u>	<u>(1,967,857)</u>	<u>(20,377)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,651,088)</u>	<u>\$ (1,651,088)</u>	(956,807)	<u>\$ 694,281</u>
Fund Balance - Beginning of Year			<u>5,931,478</u>	
FUND BALANCE - END OF YEAR			<u>\$ 4,974,671</u>	

See accompanying Notes to Required Supplementary Information

**CITY OF FORT LUPTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2024**

Certain funds used for accounting purposes are combined with the General Fund for reporting purposes. In accordance with GASB Statement No. 41, Budgetary Comparison Schedules – Perspective Differences, the activity of such funds is not included in the General Fund budgetary comparison schedule.

The following is a reconciliation of the General Fund budgetary comparison schedule to the General Fund as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2024.

REVENUE

General Fund Budgetary Comparison Schedule	\$ 22,836,555
Adjustments:	
Street Sales Tax	2,068,197
Water Sales Tax	7,364,473
Contingency	110,599
Total General Fund Revenues as Reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	32,379,824

EXPENDITURES

General Fund Budgetary Comparison Schedule	18,917,584
Adjustments:	
Street Sales Tax	1,686,085
Water Sales Tax	3,795,586
Total General Fund Expenditures as Reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	24,399,255

OTHER FINANCING SOURCES (USES)

General Fund Budgetary Comparison Schedule	789,251
Adjustments:	
Water Sales Tax	(509,563)
Total General Fund Expenditures as Reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	279,688

SUPPLEMENTARY INFORMATION

**CITY OF FORT LUPTON
CONTINGENCY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 25,000	\$ 25,000	\$ 110,599	\$ 85,599
Total Revenues	25,000	25,000	110,599	85,599
EXCESS OF REVENUES	<u>25,000</u>	<u>25,000</u>	<u>110,599</u>	<u>85,599</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 25,000</u>	<u>\$ 25,000</u>	110,599	<u>\$ 85,599</u>
Fund Balance - Beginning of Year			<u>2,035,722</u>	
FUND BALANCES - END OF YEAR			<u>\$ 2,146,321</u>	

**CITY OF FORT LUPTON
STREET IMPROVEMENT SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Sales Tax	\$ 1,219,512	\$ 1,219,512	\$ 1,625,918	\$ 406,406
Interest Income	65,000	65,000	266,877	201,877
Infrastructure Assessment Fees	500,000	500,000	175,402	(324,598)
Total Revenues	<u>1,784,512</u>	<u>1,784,512</u>	<u>2,068,197</u>	<u>283,685</u>
EXPENDITURES				
Other	270,000	270,000	713,099	(443,099)
Capital Outlay	2,535,000	2,535,000	972,986	1,562,014
Total Expenditures	<u>2,805,000</u>	<u>2,805,000</u>	<u>1,686,085</u>	<u>1,118,915</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ (1,020,488)</u>	<u>\$ (1,020,488)</u>	382,112	<u>\$ (835,230)</u>
Fund Balances - Beginning of Year			<u>5,344,885</u>	
FUND BALANCES - END OF YEAR			<u>\$ 5,726,997</u>	

**CITY OF FORT LUPTON
WATER SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUE				
Sales Tax	\$ 2,439,024	\$ 2,439,024	\$ 3,251,835	\$ 812,811
Interest Income	25,000	25,000	237,638	212,638
Other	-	-	3,875,000	3,875,000
Total Revenue	<u>2,464,024</u>	<u>2,464,024</u>	<u>7,364,473</u>	<u>4,900,449</u>
EXPENDITURES				
Other	2,183,500	2,582,421	1,495,831	1,086,590
Capital Outlay	1,065,921	667,000	2,299,755	(1,632,755)
Total Expenditures	<u>3,249,421</u>	<u>3,249,421</u>	<u>3,795,586</u>	<u>(546,165)</u>
EXCESS OF REVENUES OVER EXPENDITURES	(785,397)	(785,397)	3,568,887	4,354,284
OTHER FINANCING SOURCES (USES)				
Operating Transfer Out	(509,563)	(509,563)	(509,563)	-
Total Other Financing Sources (Uses)	<u>(509,563)</u>	<u>(509,563)</u>	<u>(509,563)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,294,960)</u>	<u>\$ (1,294,960)</u>	3,059,324	<u>\$ 4,354,284</u>
Fund Balance - Beginning of Year			<u>5,837,433</u>	
FUND BALANCE - END OF YEAR			<u>\$ 8,896,757</u>	

**CITY OF FORT LUPTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2024**

	<u>Conservation Trust Fund</u>	<u>Perpetual Care Cemetery Fund</u>	<u>Memorial Trust Fund</u>	<u>Nonmajor Governmental Funds</u>
ASSETS				
Cash	\$ 247,220	\$ 84,940	\$ 588	\$ 332,748
Prepaid Items	-	72	-	72
Total Assets	<u>\$ 247,220</u>	<u>\$ 85,012</u>	<u>\$ 588</u>	<u>\$ 332,820</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 800	\$ -	\$ 800
Total Liabilities	-	800	-	800
FUND BALANCES				
Nonspendable	-	72	-	72
Restricted	247,220	84,140	588	331,948
Total Fund Balances	<u>247,220</u>	<u>84,212</u>	<u>588</u>	<u>332,020</u>
Total Liabilities and Fund Balances	<u>\$ 247,220</u>	<u>\$ 85,012</u>	<u>\$ 588</u>	<u>\$ 332,820</u>

**CITY OF FORT LUPTON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2024**

	<i>Formerly Non- major Fund</i>				
	Culture, Parks, and Recreation Sales Tax Fund	Conservation Trust Fund	Perpetual Care Cemetery Fund	Memorial Trust Fund	Nonmajor Governmental Funds
REVENUES					
Federal and State Sources	\$ -	\$ 108,878	\$ -	\$ -	\$ 108,878
Charges for Services	-	-	82,085	-	82,085
Interest Income	-	6,556	185	3	6,744
Other	-	-	31,875	-	31,875
Total Revenues	<u>-</u>	<u>115,434</u>	<u>114,145</u>	<u>3</u>	<u>229,582</u>
EXPENDITURES					
Current:					
Culture, Parks, and Recreation	-	-	162,957	-	162,957
Capital Outlay	-	344,990	-	-	344,990
Total Expenditures	<u>-</u>	<u>344,990</u>	<u>162,957</u>	<u>-</u>	<u>507,947</u>
REVENUES OVER (UNDER) EXPENDITURES	-	(229,556)	(48,812)	3	(278,365)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	120,000	-	120,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
NET CHANGE IN FUND BALANCES	-	(229,556)	71,188	3	(158,365)
Fund Balances - Beginning of Year, as previously presented	<u>5,931,478</u>	<u>476,776</u>	<u>13,024</u>	<u>585</u>	<u>6,421,863</u>
Change within financial reporting entity (nonmajor to major)	(5,931,478)	-	-	-	(5,931,478)
Fund Balances - Beginning of Year, as restated	<u>-</u>	<u>476,776</u>	<u>13,024</u>	<u>585</u>	<u>490,385</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 247,220</u>	<u>\$ 84,212</u>	<u>\$ 588</u>	<u>\$ 332,020</u>

**CITY OF FORT LUPTON
 CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Lottery Funds	\$ 100,000	\$ 100,000	\$ 108,878	\$ 8,878
Interest Income	4,000	4,000	6,556	2,556
Total Revenues	<u>104,000</u>	<u>104,000</u>	115,434	11,434
EXPENDITURES				
Capital Outlay	3,120	3,120	344,990	(341,870)
Total Expenditures	<u>3,120</u>	<u>3,120</u>	<u>344,990</u>	<u>(341,870)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 100,880</u>	<u>\$ 100,880</u>	(229,556)	<u>\$ (330,436)</u>
Fund Balance - Beginning of Year			<u>476,776</u>	
FUND BALANCE - END OF YEAR			<u>\$ 247,220</u>	

**CITY OF FORT LUPTON
PERPETUAL CARE CEMETERY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 79,900	\$ 79,900	\$ 82,085	\$ 2,185
Perpetual Care	20,400	20,400	25,050	4,650
Interest Income	1,500	1,500	185	(1,315)
Other	1,500	1,500	6,825	5,325
Total Revenues	<u>103,300</u>	<u>103,300</u>	<u>114,145</u>	<u>10,845</u>
EXPENDITURES				
Maintenance	12,000	20,000	10,199	9,801
Supplies	1,000	1,000	315	685
Utilities	120,600	120,600	147,266	(26,666)
Other	24,800	24,800	5,177	19,623
Total Expenditures	<u>158,400</u>	<u>166,400</u>	<u>162,957</u>	<u>3,443</u>
EXCESS OF REVENUE OVER EXPENDITURES	(55,100)	(63,100)	(48,812)	14,288
OTHER FINANCING SOURCES (USES)				
Transfers In	120,000	120,000	120,000	-
Capital Expenditures	33,000	25,000	-	(25,000)
Total Other Financing Sources (Uses)	<u>153,000</u>	<u>145,000</u>	<u>120,000</u>	<u>(25,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 97,900</u>	<u>\$ 81,900</u>	71,188	<u>\$ (10,712)</u>
Fund Balance - Beginning of Year			<u>13,024</u>	
FUND BALANCE - END OF YEAR			<u>\$ 84,212</u>	

**CITY OF FORT LUPTON
MEMORIAL TRUST FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Other	\$ -	\$ -	\$ 3	\$ 3
Total Revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>3</u>	<u>\$ 3</u>
Fund Balance - Beginning of Year			<u>585</u>	
FUND BALANCE - END OF YEAR			<u>\$ 588</u>	

**CITY OF FORT LUPTON
UTILITY ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 6,831,974	\$ 6,831,974	\$ 8,028,795	\$ 1,196,821
Other Income	12,954,085	12,954,085	2,682,584	(10,271,501)
Total Operating Revenues	<u>19,786,059</u>	<u>19,786,059</u>	<u>10,711,379</u>	<u>(9,074,680)</u>
OPERATING EXPENSES				
Professional Fees	398,500	398,500	450,144	(51,644)
Contract Management	1,364,151	1,364,151	1,281,749	82,402
Insurance	108,200	108,200	139,412	(31,212)
Repairs and Maintenance	1,710,250	1,710,250	1,125,691	584,559
Supplies	350,000	350,000	106,876	243,124
Utilities	381,500	381,500	311,082	70,418
Water Assessments	885,000	885,000	694,256	190,744
Other	662,000	662,000	71,058	590,942
Total Operating Expenses	<u>5,859,601</u>	<u>5,859,601</u>	<u>4,180,268</u>	<u>1,679,333</u>
NET OPERATING INCOME (LOSS)	13,926,458	13,926,458	6,531,111	(10,754,013)
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)	370,000	370,000	1,850,986	1,480,986
Interest Expense	(2,532,730)	(2,532,730)	(2,138,202)	394,528
Debt Principal	(951,279)	(951,279)	(1,253,695)	(302,416)
Capital Expenditures	(43,872,000)	(43,872,000)	(13,925,989)	29,946,011
Administrative Fee - Trustee	-	-	(5,800)	(5,800)
Other	-	-	281,828	281,828
Gain (Loss) on Disposal of Assets	-	-	2,015	2,015
Total Nonoperating Revenues (Expenses)	<u>(46,986,009)</u>	<u>(46,986,009)</u>	<u>(15,188,857)</u>	<u>31,797,152</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(33,059,551)	(33,059,551)	(8,657,746)	21,043,139
OTHER FINANCING SOURCES (USES)				
Transfers In	509,563	509,563	509,563	-
Capital Contributions from Tap Fees	2,050,000	2,050,000	3,646,196	1,596,196
Capital Contributions	2,772,000	2,772,000	301,564	(2,470,436)
Total Other Financing Sources (Uses)	<u>5,331,563</u>	<u>5,331,563</u>	<u>4,457,323</u>	<u>(874,240)</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (27,727,988)</u>	<u>\$ (27,727,988)</u>	(4,200,423)	<u>\$ 20,168,899</u>
Reconciliation to GAAP Basis:				
Bond Principal Payments			1,253,695	
Capital Outlay			13,925,989	
Depreciation and Amortization			<u>(2,229,894)</u>	
NET INCOME (LOSS) - GAAP BASIS			8,749,367	
Net Position - Beginning of Year			<u>63,264,049</u>	
NET POSITION - END OF YEAR			<u>\$ 72,013,416</u>	

**CITY OF FORT LUPTON
UTILITY ENTERPRISE FUND - WATER
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 3,828,631	\$ 3,828,631	\$ 4,667,154	\$ 838,523
Other Income	12,954,085	12,954,085	2,474,245	(10,479,840)
Total Operating Revenues	<u>16,782,716</u>	<u>16,782,716</u>	7,141,399	(9,641,317)
OPERATING EXPENSES				
Professional Fees	263,500	263,500	396,178	(132,678)
Contract Management	783,107	783,107	801,327	(18,220)
Insurance	80,000	80,000	103,748	(23,748)
Repairs and Maintenance	1,264,000	1,264,000	904,651	359,349
Supplies	331,000	331,000	93,181	237,819
Utilities	205,000	205,000	156,981	48,019
Water Assessments	885,000	885,000	694,256	190,744
Other	428,000	428,000	39,044	388,956
Total Operating Expenses	<u>4,239,607</u>	<u>4,239,607</u>	<u>3,189,366</u>	<u>1,050,241</u>
NET OPERATING INCOME (LOSS)	12,543,109	12,543,109	3,952,033	(10,691,558)
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)	250,000	250,000	1,389,957	1,139,957
Interest Expense	(1,500,808)	(1,500,808)	(1,578,313)	(77,505)
Debt Principal	(951,279)	(951,279)	(783,117)	168,162
Capital Expenditures	(18,822,000)	(18,822,000)	(8,563,574)	10,258,426
Administrative Fee - Trustee	-	-	(800)	(800)
Gain (Loss) on Disposal of Assets	-	-	2,015	2,015
Total Nonoperating Revenues (Expenses)	<u>(21,024,087)</u>	<u>(21,024,087)</u>	<u>(9,533,832)</u>	<u>11,490,255</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(8,480,978)	(8,480,978)	(5,581,799)	798,697
OTHER FINANCING SOURCES (USES)				
Transfers In	509,563	509,563	509,563	-
Capital Contributions from Tap Fees	1,050,000	1,050,000	1,703,269	(653,269)
Capital Contributions	2,220,000	2,220,000	1,129,100	1,090,900
Total Other Financing Sources (Uses)	<u>3,779,563</u>	<u>3,779,563</u>	<u>3,341,932</u>	<u>437,631</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (4,701,415)</u>	<u>\$ (4,701,415)</u>	(2,239,867)	<u>\$ 1,236,328</u>
Reconciliation to GAAP Basis:				
Bond Principal Payments			783,117	
Capital Outlay			8,563,574	
Depreciation and Amortization			<u>(1,820,786)</u>	
NET INCOME (LOSS) - GAAP BASIS			5,286,038	
Net Position - Beginning of Year			<u>65,289,511</u>	
NET POSITION - END OF YEAR			<u>\$ 70,575,549</u>	

**CITY OF FORT LUPTON
UTILITY ENTERPRISE FUND - SEWER
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 3,003,343	\$ 3,003,343	\$ 3,361,641	\$ 358,298
Other Income	-	-	208,339	208,339
Total Operating Revenues	<u>3,003,343</u>	<u>3,003,343</u>	<u>3,569,980</u>	<u>566,637</u>
OPERATING EXPENSES				
Professional Fees	135,000	135,000	53,966	81,034
Contract Management	581,044	581,044	480,422	100,622
Insurance	28,200	28,200	35,664	(7,464)
Repairs and Maintenance	446,250	446,250	221,040	225,210
Supplies	19,000	19,000	13,695	5,305
Utilities	176,500	176,500	154,101	22,399
Other	234,000	234,000	32,014	201,986
Total Operating Expenses	<u>1,619,994</u>	<u>1,619,994</u>	<u>990,902</u>	<u>629,092</u>
NET OPERATING INCOME (LOSS)	1,383,349	1,383,349	2,579,078	(62,455)
NONOPERATING REVENUES (EXPENSES)				
Investment Income (Loss)	120,000	120,000	461,029	341,029
Interest Expense	(1,031,922)	(1,031,922)	(559,889)	472,033
Administrative Fee - Trustee	-	-	(5,000)	(5,000)
Debt Principal	-	-	(470,578)	(470,578)
Capital Expenditures	(25,050,000)	(25,050,000)	(5,362,415)	19,687,585
Other	-	-	281,828	281,828
Total Nonoperating Revenues (Expenses)	<u>(25,961,922)</u>	<u>(25,961,922)</u>	<u>(5,655,025)</u>	<u>20,306,897</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(24,578,573)	(24,578,573)	(3,075,947)	20,244,442
OTHER FINANCING SOURCES (USES)				
Capital Contributions to Other Governments	552,000	552,000	(827,536)	(1,379,536)
Capital Contributions from Tap Fees	1,000,000	1,000,000	1,942,927	942,927
Total Other Financing Sources (Uses)	<u>1,552,000</u>	<u>1,552,000</u>	<u>1,115,391</u>	<u>(436,609)</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (23,026,573)</u>	<u>\$ (23,026,573)</u>	(1,960,556)	<u>\$ 19,807,833</u>
Reconciliation to GAAP Basis:				
Bond Principal Payments			470,578	
Capital Outlay			5,362,415	
Depreciation and Amortization			(409,108)	
NET INCOME (LOSS) - GAAP BASIS			3,463,329	
Net Position - Beginning of Year			<u>(2,025,462)</u>	
NET POSITION - END OF YEAR			<u>\$ 1,437,867</u>	

**CITY OF FORT LUPTON
STORM WATER DRAINAGE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 424,410	\$ 424,410	\$ 497,983	\$ 73,573
Total Operating Revenues	<u>424,410</u>	<u>424,410</u>	<u>497,983</u>	<u>73,573</u>
OPERATING EXPENSES				
Professional Fees	25,000	25,000	46,003	(21,003)
Repairs and Maintenance	35,000	35,000	456	34,544
Supplies	9,000	4,000	818	3,182
Total Operating Expenses	<u>69,000</u>	<u>64,000</u>	<u>47,277</u>	<u>16,723</u>
NET OPERATING INCOME (LOSS)	355,410	360,410	450,706	56,850
NONOPERATING REVENUES (EXPENSES)				
Investment Income	15,000	15,000	65,740	(50,740)
Capital Expenditures	(1,010,000)	(1,010,000)	-	(1,010,000)
Total Nonoperating Revenues (Expenses)	<u>(995,000)</u>	<u>(995,000)</u>	<u>65,740</u>	<u>(1,060,740)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(639,590)</u>	<u>(634,590)</u>	<u>516,446</u>	<u>(1,003,890)</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (639,590)</u>	<u>\$ (634,590)</u>	516,446	<u>\$ (1,003,890)</u>
Reconciliation to GAAP Basis:				
Depreciation and Amortization			<u>(112,986)</u>	
NET INCOME (LOSS) - GAAP BASIS			403,460	
Net Position - Beginning of Year			<u>4,825,109</u>	
NET POSITION - END OF YEAR			<u>\$ 5,228,569</u>	

**CITY OF FORT LUPTON
RECREATION CENTER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 447,450	\$ 447,450	\$ 512,992	\$ 65,542
Other	26,900	26,900	24,888	(2,012)
Total Operating Revenues	<u>474,350</u>	<u>474,350</u>	<u>537,880</u>	<u>63,530</u>
OPERATING EXPENSES				
Salaries and Benefits	1,458,864	1,458,864	1,326,870	131,994
Professional Fees	40,000	40,000	81,449	(41,449)
Insurance	17,980	17,980	37,802	(19,822)
Repairs and Maintenance	65,000	65,000	89,539	(24,539)
Merchandise for Resale	2,000	2,000	1,501	499
Supplies	66,750	66,750	84,457	(17,707)
Utilities	164,500	164,500	160,744	3,756
Recreation Programs	11,150	11,150	18,851	(7,701)
Other	231,622	231,622	182,190	49,432
Total Operating Expenses	<u>2,057,866</u>	<u>2,057,866</u>	<u>1,983,403</u>	<u>74,463</u>
NET OPERATING INCOME (LOSS)	(1,583,516)	(1,583,516)	(1,445,523)	137,993
NONOPERATING REVENUES (EXPENSES)				
Property Taxes	2,091,048	2,091,048	2,197,667	106,619
Investment Income	2,000	2,000	262,642	260,642
Interest Expense	(599,300)	(599,300)	(402,692)	196,608
Bond Principal	-	-	(160,000)	(160,000)
Gain on disposal of assets	-	-	10,505	10,505
Capital Expenditures	(12,303,000)	(12,303,000)	-	(12,303,000)
Other	-	-	300	(300)
Total Nonoperating Revenues (Expenses)	<u>(10,809,252)</u>	<u>(10,809,252)</u>	<u>1,908,422</u>	<u>(11,888,926)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(12,392,768)	(12,392,768)	462,899	(11,750,933)
Transfers In	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (10,392,768)</u>	<u>\$ (10,392,768)</u>	2,462,899	<u>\$ (11,750,933)</u>
Reconciliation to GAAP Basis:				
Bond Principal Payments			160,000	
Capital Outlay			-	
Depreciation and Amortization			<u>(317,769)</u>	
NET INCOME (LOSS) - GAAP BASIS			2,305,130	
Net Position - Beginning of Year			<u>3,362,761</u>	
NET POSITION - END OF YEAR			<u>\$ 5,667,891</u>	

**CITY OF FORT LUPTON
GOLF COURSE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 1,695,050	\$ 1,695,050	\$ 1,904,456	\$ 209,406
Sales of Merchandise	478,247	478,247	631,995	153,748
Other	-	-	16,888	16,888
Total Operating Revenues	<u>2,173,297</u>	<u>2,173,297</u>	<u>2,553,339</u>	<u>380,042</u>
OPERATING EXPENSES				
Salaries and Benefits	1,335,404	1,335,404	1,258,721	76,683
Professional Fees	23,400	23,400	25,946	(2,546)
Insurance	9,970	9,970	9,019	951
Repairs and Maintenance	35,500	35,500	105,312	(69,812)
Merchandise for Resale	205,125	205,125	309,956	(104,831)
Supplies	180,000	180,000	221,066	(41,066)
Utilities	193,698	193,698	123,299	70,399
Other	231,131	231,131	285,294	(54,163)
Total Operating Expenses	<u>2,214,228</u>	<u>2,214,228</u>	<u>2,338,613</u>	<u>(124,385)</u>
NET OPERATING INCOME (LOSS)	(40,931)	(40,931)	214,726	255,657
NONOPERATING REVENUES (EXPENSES)				
Interest Income	-	-	5,504	5,504
Interest Expense	-	-	(6,612)	(6,612)
Capital Expenditures	(268,633)	(268,633)	-	268,633
Total Nonoperating Revenues (Expenses)	<u>(268,633)</u>	<u>(268,633)</u>	<u>(1,108)</u>	<u>267,525</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (309,564)</u>	<u>\$ (309,564)</u>	213,618	<u>\$ 523,182</u>
Reconciliation to GAAP Basis:				
Depreciation and Amortization			<u>(121,732)</u>	
NET INCOME (LOSS) - GAAP BASIS			91,886	
Net Position - Beginning of Year			<u>(1,636,386)</u>	
NET POSITION - END OF YEAR			<u>\$ (1,544,500)</u>	

**UTILITY FUND WATER AND WASTE WATER
FINANCIAL STATEMENTS SEPARATELY PRESENTED**

**CITY OF FORT LUPTON
UTILITY FUND DETAIL
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

ASSETS	Utility Enterprise Fund	Utility Enterprise	
		Fund-Water	Fund-Sewer
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 10,988,161	\$ 5,978,228	\$ 5,009,933
Restricted Cash	19,522,366	16,854,105	2,668,261
Receivables:			
Accounts Receivable	1,600,659	573,280	1,027,379
Prepaid Items	165,618	165,618	-
Total Current Assets	<u>32,276,804</u>	<u>23,571,231</u>	<u>8,705,573</u>
NONCURRENT ASSETS			
Nondepreciable:			
Land	372,077	140,876	231,201
Water Rights	48,149,654	48,149,654	-
Construction in Progress	18,434,559	9,663,086	8,771,473
Depreciable:			
Wells	1,027,539	1,027,539	-
Buildings	13,226,660	10,884,535	2,342,125
Utility System	34,258,013	22,659,854	11,598,159
Equipment	8,707,792	6,758,870	1,948,922
Subtotal	<u>124,176,294</u>	<u>99,284,414</u>	<u>24,891,880</u>
Less: Accumulated Depreciation	<u>(28,753,817)</u>	<u>(18,301,162)</u>	<u>(10,452,655)</u>
Total	95,422,477	80,983,252	14,439,225
Leased Assets	2,201,931	2,201,931	-
Accumulated Amortization	<u>(661,557)</u>	<u>(661,557)</u>	<u>-</u>
Leased Assets, Net	<u>1,540,374</u>	<u>1,540,374</u>	<u>-</u>
Total Noncurrent Assets	96,962,851	82,523,626	14,439,225
OTHER ASSETS			
Inclusion Fee	<u>275,402</u>	<u>275,402</u>	<u>-</u>
Total Other Assets	<u>275,402</u>	<u>275,402</u>	<u>-</u>
Total Assets	129,515,057	106,370,259	23,144,798

**CITY OF FORT LUPTON
UTILITY FUND DETAIL
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2024**

LIABILITIES AND NET POSITION	Utility Enterprise Fund	Utility Enterprise	
		Fund-Water	Fund-Sewer
CURRENT LIABILITIES			
Accounts Payable	\$ 2,240,315	\$ 734,293	\$ 1,506,022
Accrued Expenses	250,404	158,230	92,174
Payment in Lieu of Water	54,000	54,000	-
Long-Term Liabilities Due Within One Year:			
Loans Payable	839,943	356,335	483,608
Bonds Payable	485,000	485,000	-
Leases Payable	199,993	199,993	-
Total Current Liabilities	4,069,655	1,987,851	2,081,804
LONG-TERM LIABILITIES			
Bonds Payable	27,014,621	27,014,621	-
Loans Payable	25,051,804	5,426,677	19,625,127
Lease Payable	1,365,561	1,365,561	-
Total Long-Term Liabilities	53,431,986	33,806,859	19,625,127
 Total Liabilities	 57,501,641	 35,794,710	 21,706,931
NET POSITION			
Net Investment in Capital Assets	39,887,051	47,017,234	(7,130,183)
Restricted for Purchase of Water	14,382,212	14,382,212	-
Restricted for Debt Service	5,140,154	2,471,893	2,668,261
Unrestricted	12,603,999	6,704,210	5,899,789
Total Net Position	72,013,416	70,575,549	1,437,867
 Total Liabilities and Net Position	 \$ 129,515,057	 \$ 106,370,259	 \$ 23,144,798

**CITY OF FORT LUPTON
UTILITY FUND DETAIL
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED DECEMBER 31, 2024**

	Utility Enterprise Fund	Utility Enterprise	
		Fund-Water	Fund-Sewer
OPERATING REVENUES			
Charges for Services	\$ 8,028,795	\$ 4,667,154	\$ 3,361,641
Other Income	2,682,584	2,474,245	208,339
Total Operating Revenues	<u>10,711,379</u>	<u>7,141,399</u>	<u>3,569,980</u>
OPERATING EXPENSES			
Professional Fees	450,144	396,178	53,966
Contract Management	1,281,749	801,327	480,422
Insurance	139,412	103,748	35,664
Repairs and Maintenance	1,125,691	904,651	221,040
Supplies	106,876	93,181	13,695
Utilities	311,082	156,981	154,101
Water Assessments	694,256	694,256	-
Depreciation and Amortization	2,229,894	1,820,786	409,108
Other	71,058	39,044	32,014
Total Operating Expenses	<u>6,410,162</u>	<u>5,010,152</u>	<u>1,400,010</u>
NET OPERATING INCOME (LOSS)	4,301,217	2,131,247	2,169,970
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,850,986	1,389,957	461,029
Interest Expense	(2,138,202)	(1,578,313)	(559,889)
Administrative Fee - Trustee	(5,800)	(800)	(5,000)
Capital Contributions to Other Governments	(827,536)	-	(827,536)
Gain (Loss) on Disposal of Assets	2,015	2,015	-
Other	281,828	-	281,828
Total Nonoperating Revenues (Expenses)	<u>(836,709)</u>	<u>(187,141)</u>	<u>(649,568)</u>
NET INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	3,464,508	1,944,106	1,520,402
TRANSFERS AND CAPITAL CONTRIBUTIONS			
Transfers In	509,563	509,563	-
Capital Contributions Tap Fees	3,646,196	1,703,269	1,942,927
Capital Contributions	1,129,100	1,129,100	-
Total Transfers and Capital Contributions	<u>5,284,859</u>	<u>3,341,932</u>	<u>1,942,927</u>
CHANGE IN NET POSITION	8,749,367	5,286,038	3,463,329
Net Position - Beginning of Year	<u>63,264,049</u>	<u>65,289,511</u>	<u>(2,025,462)</u>
NET POSITION - END OF YEAR	<u>\$ 72,013,416</u>	<u>\$ 70,575,549</u>	<u>\$ 1,437,867</u>

**CITY OF FORT LUPTON
UTILITY FUND DETAIL
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024**

	Utility Enterprise Fund	Utility Enterprise	
		Fund-Water	Fund-Sewer
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 7,088,582	\$ 4,408,310	\$ 2,680,272
Other Receipts	592,108	383,769	208,339
Payments to Suppliers and Service Providers	(4,347,880)	(3,329,738)	(1,018,142)
Net Cash Provided (Used) by Operating Activities	3,332,810	1,462,341	1,870,469
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers from Other Funds	509,563	509,563	-
Net Cash Provided (Used) by Noncapital and Related Financing Activities	509,563	509,563	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Contributions	3,646,196	1,703,269	1,942,927
Acquisition and Construction of Capital Assets	(12,617,486)	(7,255,071)	(5,362,415)
Metro Water Recovery Tap Fees	(827,536)	-	(827,536)
Administration Fees	(5,800)	(800)	(5,000)
Proceeds from Debt Financing	50,000	-	50,000
Principal on Notes, Bonds, and Leases	(1,253,695)	(783,117)	(470,578)
Interest on Notes, Bonds, and Leases	(2,018,611)	(1,458,722)	(559,889)
Other	283,843	2,015	281,828
Net Cash Provided (Used) by Capital and Related Financing Activities	(12,743,089)	(7,792,426)	(4,950,663)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	1,850,986	1,389,957	461,029
Net Cash Provided (Used) by Investing Activities	1,850,986	1,389,957	461,029
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,049,730)	(4,430,565)	(2,619,165)
Cash and Cash Equivalents - Beginning of Year	37,560,257	27,262,898	10,297,359
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 30,510,527</u>	<u>\$ 22,832,333</u>	<u>\$ 7,678,194</u>

**CITY OF FORT LUPTON
STATEMENT OF CASH FLOWS (CONTINUED)
UTILITY FUND DETAIL
YEAR ENDED DECEMBER 31, 2024**

	Utility Enterprise Fund	Utility Enterprise	
		Fund-Water	Fund-Sewer
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 4,301,217	\$ 2,131,247	\$ 2,169,970
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	2,229,894	1,820,786	409,108
Changes in Assets and Liabilities:			
Accounts Receivable	(940,213)	(258,844)	(681,369)
Prepaid Expenses	(155)	(155)	-
Unearned Revenues	(2,090,476)	(2,090,476)	-
Accounts Payable	(205,215)	(179,894)	(25,321)
Accrued Expenses	37,758	39,677	(1,919)
Net Cash Provided (Used) by Operating Activities	\$ 3,332,810	\$ 1,462,341	\$ 1,870,469
 RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION			
Cash and Cash Equivalents	\$ 10,988,161	\$ 5,978,228	\$ 5,009,933
Restricted Cash	19,522,366	16,854,105	2,668,261
Total Cash and Investments	\$ 30,510,527	\$ 22,832,333	\$ 7,678,194
 SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FIANNING ACTIVITIES			
Amortization of Premium	\$ 119,591	\$ 119,591	\$ -
Capital Contributions	\$ 1,129,100	\$ 1,129,100	\$ -

COMPONENT UNITS

**CITY OF FORT LUPTON
PUBLIC AND SCHOOL LIBRARY FUND
BALANCE SHEET
DECEMBER 31, 2024**

ASSETS

CURRENT ASSETS

Cash	\$ 11,043,355
Restricted Cash	129,816
Total Current Assets	11,173,171
Total Assets	\$ 11,173,171

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$ 14,386
Accrued Expenses	35,558
Total Liabilities	49,944

FUND BALANCES

Restricted:	
Emergency Reserve	125,870
Restricted Donations	116,017
Unrestricted	10,881,340
Total Fund Balances	11,123,227
Total Liabilities and Fund Balances	\$ 11,173,171

**CITY OF FORT LUPTON
PUBLIC AND SCHOOL LIBRARY FUND
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024**

Total Fund Balance of Governmental Funds	\$ 11,123,227
--	---------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, the underlying resources are not recognized currently in the governmental funds.

Capital Assets, net	9,122,443
---------------------	-----------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Compensated Absences	<u>(29,716)</u>
----------------------	-----------------

Total Net Position of Governmental Activities	<u>\$ 20,215,954</u>
---	----------------------

**CITY OF FORT LUPTON
PUBLIC AND SCHOOL LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental Revenue	\$ 3,675,888	\$ 3,675,888	\$ 3,655,753	\$ (20,135)
Other	310,132	316,678	539,899	223,221
Total Revenues	<u>3,986,020</u>	<u>3,992,566</u>	<u>4,195,652</u>	<u>203,086</u>
EXPENDITURES				
Salary and Benefits	1,185,022	1,185,022	1,069,280	115,742
Maintenance	12,500	12,500	951	11,549
Supplies	85,000	85,000	56,652	28,348
Utilities	115,000	73,000	25,499	47,501
Programs	41,500	51,046	46,460	4,586
Other	390,209	429,209	126,925	302,284
Capital Outlay	1,500,000	1,500,000	30,810	1,469,190
Total Expenditures	<u>3,329,231</u>	<u>3,335,777</u>	<u>1,356,577</u>	<u>1,979,200</u>
REVENUES OVER (UNDER) EXPENDITURES	656,789	656,789	2,839,075	(1,776,114)
Fund Balances - Beginning of Year			<u>8,284,152</u>	
FUND BALANCES - END OF YEAR			<u><u>\$ 11,123,227</u></u>	

**CITY OF FORT LUPTON
PUBLIC AND SCHOOL LIBRARY FUND
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF NET POSITION
YEAR ENDED DECEMBER 31, 2024**

Net Changes In Fund Balance of Governmental Funds	\$ 2,839,075
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost those assets is allocated over their estimated useful lives as depreciation expense</p>	
Depreciation Expense	(195,554)
Capital Additions	30,810
<p>Compensated absences reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds</p>	
Current Year	(29,716)
Previous Year	<u>32,119</u>
Change in Net Position of Governmental Activities	<u><u>\$ 2,676,734</u></u>

**CITY OF FORT LUPTON
 FORT LUPTON URBAN RENEWAL AUTHORITY
 BALANCE SHEET
 DECEMBER 31, 2024**

ASSETS

CURRENT ASSETS

Cash	\$	844,359
Receivables:		
Property Taxes		840,592
Total Current Assets		1,684,951
Total Assets	\$	1,684,951

LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES

LIABILITIES

Accounts Payable	\$	12,088
Total Liabilities		12,088

DEFERRED INFLOWS OF RESOURCES

Property Tax		840,592
--------------	--	---------

FUND BALANCES

Restricted:		
Emergency Reserve		10,863
Fund Balance		821,408
Total Fund Balances		832,271

Total Liabilities, Inflows of Resources, and Fund Balances	\$	1,684,951
--	----	-----------

**CITY OF FORT LUPTON
 FORT LUPTON URBAN RENEWAL AUTHORITY
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2024**

	Balance Sheet	Adjustments	Statement of Net Position
ASSETS			
CURRENT ASSETS			
Cash	\$ 844,359	\$ -	\$ 844,359
Receivables:			
Property Taxes	840,592	-	840,592
Total Current Assets	1,684,951	-	1,684,951
Total Assets	\$ 1,684,951	\$ -	\$ 1,684,951
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 12,088	\$ -	\$ 12,088
Loan from City of Fort Lupton	-	10,000	10,000
Total Liabilities	12,088	10,000	22,088
DEFERRED INFLOWS OF RESOURCES			
Property Tax	840,592	-	840,592
FUND BALANCES			
Restricted:			
Emergency Reserve	10,863	-	10,863
Unrestricted	821,408	(10,000)	811,408
Total Fund Balances	832,271	(10,000)	822,271
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,684,951	\$ -	\$ 1,684,951

**CITY OF FORT LUPTON
FORT LUPTON URBAN RENEWAL AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 585,956	\$ 585,956	\$ 360,378	\$ (225,578)
Other	-	-	1,706	1,706
Total Revenue	<u>585,956</u>	<u>585,956</u>	<u>362,084</u>	<u>(223,872)</u>
EXPENDITURES				
Supplies	500	500	155	345
Services	95,000	95,000	51	94,949
Other	258,300	258,300	64,302	193,998
Capital Contributed to the City	-	-	-	-
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total Expenditures	<u>378,800</u>	<u>378,800</u>	<u>64,508</u>	<u>314,292</u>
REVENUES OVER (UNDER) EXPENDITURES	207,156	207,156	297,576	90,420
OTHER FINANCING SOURCES (USES)				
Loan	(20,000)	(20,000)	(20,000)	-
Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 187,156</u>	<u>\$ 187,156</u>	277,576	<u>\$ 90,420</u>
Fund Balances - Beginning of Year			<u>554,695</u>	
FUND BALANCES - END OF YEAR			<u>\$ 832,271</u>	

**CITY OF FORT LUPTON
FORT LUPTON URBAN RENEWAL AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

	Activities	Adjustments	Statement of Activities
PROGRAM REVENUES			
General Revenues	\$ 362,084	\$ -	\$ 362,084
EXPENDITURES			
Expenditure	(64,508)	-	(64,508)
EXCESS REVENUE OVER (UNDER) EXPENDITURES	297,576	-	297,576
OTHER FINANCING USES			
Loan	(20,000)	20,000	-
CHANGE IN NET POSITION	277,576	20,000	297,576
Net Position - Beginning of Year	554,695	(30,000)	524,695
NET POSITION - END OF YEAR	\$ 832,271	\$ (10,000)	\$ 822,271

STATISTICAL SECTION

**CITY OF FORT LUPTON
STATISTICAL SECTION
YEAR ENDED DECEMBER 31, 2024**

This part of the City's annual comprehensive financial Report presents detail as a context for understanding information in the financial statements, note disclosures, and required supplementary information.

Financial Trends

These schedules contain trend information to help the reader understand the government's financial performance and well-being over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant revenue sources, sales/use tax and property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment in which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to services the government provides and the activities it performs.

CITY OF FORT LUPTON
GOVERNMENT-WIDE NET POSITION BY CATEGORY
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
Net Capital in Capital Assets	\$ 25,210,238	\$ 27,240,541	\$ 29,476,456	\$ 28,376,949	\$ 29,948,994	\$ 31,110,089	\$ 36,607,997	\$ 38,191,422	\$ 56,866,184	\$ 57,616,511
Restricted	4,316,235	4,683,596	4,120,226	5,780,680	8,583,704	9,645,467	9,504,587	13,138,376	18,138,944	21,320,069
Unrestricted	4,313,384	4,313,384	4,095,783	6,508,404	10,355,217	17,391,090	18,640,594	25,084,510	32,249,434	37,081,911
Total Governmental Activities	<u>33,839,857</u>	<u>36,237,521</u>	<u>37,692,465</u>	<u>40,666,033</u>	<u>48,887,915</u>	<u>58,146,646</u>	<u>64,753,178</u>	<u>76,414,308</u>	<u>107,254,562</u>	<u>116,018,491</u>
Business-Type Activities:										
Net Investment in Capital Assets	41,729,359	41,729,359	42,491,698	41,640,058	42,657,860	48,491,391	51,862,211	53,142,502	36,315,303	70,885,981
Restricted	586,963	586,963	1,929,618	2,189,223	2,193,578	2,193,578	2,039,632	16,491,983	19,673,944	20,548,535
Unrestricted	840,139	840,139	2,269,777	3,502,657	5,302,828	5,302,828	10,049,799	(9,762,378)	13,826,286	(10,069,140)
Total Business-Type Activities	<u>43,156,461</u>	<u>43,156,461</u>	<u>46,691,093</u>	<u>47,331,938</u>	<u>50,154,266</u>	<u>55,987,797</u>	<u>63,951,642</u>	<u>59,872,107</u>	<u>69,815,533</u>	<u>81,365,376</u>
Total Government:										
Net Investment in Capital Assets	66,939,597	68,969,900	71,968,154	70,017,007	72,606,854	79,601,480	88,470,208	91,333,924	93,181,487	128,502,492
Restricted	4,903,198	5,270,559	6,049,844	7,969,903	10,777,282	11,839,045	11,544,219	29,630,359	37,812,888	41,868,604
Unrestricted	5,153,523	5,153,523	6,365,560	10,011,061	15,658,045	22,693,918	28,690,393	15,322,132	46,075,720	27,012,771
Total Net Position	<u>\$ 76,996,318</u>	<u>\$ 79,393,982</u>	<u>\$ 84,383,558</u>	<u>\$ 87,997,971</u>	<u>\$ 99,042,181</u>	<u>\$ 114,134,443</u>	<u>\$ 128,704,820</u>	<u>\$ 136,286,415</u>	<u>\$ 177,070,095</u>	<u>\$ 197,383,867</u>

**CITY OF FORT LUPTON
GOVERNMENT-WIDE CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
EXPENSES										
Governmental Activities:										
General Government	\$ 2,765,380	\$ 3,208,613	\$ 3,426,257	\$ 3,730,084	\$ 3,543,555	\$ 4,077,655	\$ 4,279,643	\$ 5,002,455	\$ 6,106,755	\$ 6,143,659
Public Safety	1,642,454	1,707,739	1,860,861	1,920,820	2,281,423	2,631,416	3,025,469	3,466,975	4,048,773	4,737,536
Public Works	1,354,525	1,495,318	1,479,817	1,962,923	2,220,259	2,471,910	3,306,282	3,305,175	3,508,373	7,972,688
Culture, Parks, and Recreation	666,666	681,405	816,082	690,185	876,284	901,254	960,919	1,085,290	1,223,633	1,425,998
Other	723,047	732,755	778,374	1,814,351	949,425	2,372,108	1,342,595	1,818,092	2,322,860	3,948,514
Total Governmental Activities Expenses	7,152,072	7,825,830	8,361,391	10,118,363	9,870,946	12,454,343	12,914,908	14,677,987	17,210,394	24,228,395
Business-Type Activities:										
Utilities	4,318,890	4,971,703	4,610,554	6,751,672	6,704,642	6,369,606	7,852,628	29,518,535	9,506,088	9,381,700
Storm Water Drainage	21,788	27,492	40,277	48,070	47,924	48,579	42,877	63,059	79,741	160,263
Golf	1,185,890	1,076,466	1,306,738	1,394,451	1,436,023	1,472,471	1,826,640	2,901,489	2,570,082	2,466,957
Recreation	1,289,317	1,329,787	1,429,122	1,502,879	1,778,707	1,356,280	1,391,984	1,691,431	2,249,782	2,703,864
Total Business-Type Activities Expenses	6,815,885	7,405,448	7,904,786	9,753,732	9,967,896	9,246,936	11,114,129	34,174,514	14,405,693	14,712,784
Total Government Expenses	13,967,957	15,231,278	16,266,177	19,872,095	19,838,842	21,701,279	24,029,037	48,852,501	31,616,087	38,941,179
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services, Sales, and Fines:										
General Government	117,306	436,871	300,698	331,153	403,619	569,481	665,532	1,137,145	1,222,633	798,107
Public Safety	290,045	285,126	263,561	275,372	413,969	340,396	478,743	325,168	381,436	407,723
Public Works	648,451	301,513	361,881	1,118,532	445,717	916,844	466,490	1,358,648	1,210,823	713,811
Culture, Parks, and Recreation	158,472	233,201	163,847	122,733	216,161	326,266	547,839	787,444	791,388	523,468
Operating Grants and Contributions	182,179	185,628	171,386	190,946	227,546	169,047	200,162	272,958	299,147	237,915
Capital Grants and Contributions	177,101	1,221,755	802,689	985,112	1,014,444	451,772	37,845	7,500	17,700,664	1,106,656
Total Governmental Activities Program Revenues	1,573,554	2,664,094	2,064,062	3,023,848	2,721,456	2,773,806	2,396,611	3,888,863	21,606,091	3,787,680

CITY OF FORT LUPTON
GOVERNMENT-WIDE CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
PROGRAM REVENUES										
(CONTINUED)										
Business-Type Activities:										
Utilities	\$ 5,218,152	\$ 4,549,974	\$ 4,966,162	\$ 4,831,577	\$ 5,835,302	\$ 6,338,927	\$ 8,064,595	\$ 7,577,689	\$ 7,438,110	\$ 10,711,379
Storm Water Drainage	237,721	350,590	363,776	787,776	394,967	401,344	315,428	721,389	768,689	497,983
Golf	1,138,444	1,048,208	1,124,524	1,214,313	1,243,721	1,613,191	1,866,512	2,004,674	2,191,384	2,553,339
Recreation	363,156	396,250	469,887	683,536	371,583	168,084	327,628	472,565	585,466	537,880
Operating Grants and Contributions	-	86	8,260	-	-	-	-	-	-	-
Capital Grants and Contributions	2,947,240	83,420	464,757	657,929	1,497,675	5,649,987	4,477,125	16,940,535	9,229,334	4,775,296
Total Business-Type Activities Program Revenue	9,904,713	6,428,528	7,397,366	8,175,131	9,343,248	14,171,533	15,051,288	27,716,852	20,212,983	19,075,877
Total Program Revenues	11,478,267	9,092,622	9,461,428	11,198,979	12,064,704	16,945,339	17,447,899	31,605,715	41,819,074	22,863,557
NET REVENUE (EXPENSE)										
Government Activities	(5,578,518)	(5,161,736)	(6,297,329)	(7,094,515)	(7,149,490)	(9,680,537)	(10,518,297)	(10,789,130)	4,395,697	(20,440,715)
Business-Type Activities	3,088,828	(976,920)	(507,420)	(1,578,601)	(624,648)	4,924,597	3,937,159	(6,457,662)	5,807,290	4,363,093
Total Primary Governmental Expense, Net	(2,489,690)	(6,138,656)	(6,804,749)	(8,673,116)	(7,774,138)	(4,755,940)	(6,581,138)	(17,246,792)	10,202,987	(16,077,622)
GENERAL REVENUES AND TRANSFERS										
Governmental Activities:										
Taxes:										
Sales and Use Tax	3,862,467	4,399,231	4,957,598	5,603,061	8,258,952	8,544,269	8,765,874	12,254,392	13,594,654	13,183,051
Property Tax	1,849,386	1,936,197	2,607,663	2,941,375	4,893,291	8,754,786	6,998,947	7,555,226	8,898,501	9,567,719
Other	1,293,521	1,055,742	1,151,775	1,433,390	1,670,385	1,661,614	1,425,796	1,867,191	1,812,417	1,096,179
Investment Earnings	8,203	17,574	28,174	55,687	143,304	121,249	20,116	460,970	1,937,044	2,468,840
Insurance Proceeds	-	-	-	-	-	-	-	-	534,414	505,108
Miscellaneous	139,663	112,133	454,731	1,014,186	1,075,944	485,767	544,721	796,013	454,642	4,893,310
Transfers	(461,268)	(475,511)	(933,633)	(979,616)	-	(628,426)	(631,945)	(472,211)	(787,115)	(2,509,563)
Total Governmental Activities	6,691,972	7,045,366	8,266,308	10,068,083	16,041,876	18,939,259	17,123,509	22,461,581	26,444,557	29,204,644

**CITY OF FORT LUPTON
GOVERNMENT-WIDE CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GENERAL REVENUES AND TRANSFERS (CONTINUED)										
Business-Type Activities:										
Property Tax	1,010,267	978,857	1,070,125	1,059,659	1,365,580	1,931,070	1,628,063	1,481,132	1,225,506	2,197,667
Investment Earnings	(167,692)	22,162	47,096	179,329	173,260	45,739	20,429	423,525	2,070,455	2,184,872
Miscellaneous	6,663,013	1,333,370	158,218	842	2,815	46,000	4,525	674	53,056	294,648
Transfers	497,126	475,511	933,633	979,616	12,000	628,426	631,945	472,211	787,115	2,509,563
Total Business-Type Activities	8,002,714	2,809,900	2,209,072	2,219,446	1,553,655	2,651,235	2,284,962	2,377,542	4,136,132	7,186,750
Total General Revenues and Transfers	14,694,686	9,855,266	10,475,380	12,287,529	17,595,531	21,590,494	19,408,471	24,839,123	30,580,689	36,391,394
CHANGES IN NET POSITION										
Governmental Activities	1,113,454	1,883,630	1,968,978	2,973,568	8,892,386	9,258,722	6,605,212	11,662,450	30,840,254	8,763,929
Business-Type Activities	11,091,542	1,832,980	1,701,652	640,845	929,007	7,575,832	6,222,121	(4,080,119)	9,943,422	11,549,843
Total Government-Wide Changes in Net Position	<u>\$ 12,204,996</u>	<u>\$ 3,716,610</u>	<u>\$ 3,670,630</u>	<u>\$ 3,614,413</u>	<u>\$ 9,821,393</u>	<u>\$ 16,834,554</u>	<u>\$ 12,827,333</u>	<u>\$ 7,582,331</u>	<u>\$ 40,783,676</u>	<u>\$ 20,313,772</u>

**CITY OF FORT LUPTON
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Restricted For:										
Emergency Reserve	\$ 237,422	\$ 278,038	\$ 308,947	\$ 393,381	\$ 513,966	\$ 621,068	\$ 508,745	\$ 724,846	\$ 689,672	\$ 902,395
Water Sales Tax	1,582,361	1,695,614	1,332,057	1,673,718	2,498,711	2,171,350	2,786,159	7,284,964	5,731,362	8,675,823
Street Sales Tax	1,527,542	1,337,051	1,194,440	2,535,544	3,734,789	4,724,875	3,033,541	3,595,648	5,264,751	5,664,951
Debt Service	-	-	-	-	-	-	-	-	-	731,475
Police Evidence	-	-	7,580	7,646	7,745	8,259	8,268	8,381	8,382	8,382
Children's Fund	6,629	11,681	15,039	25,941	22,227	22,527	17,755	16,879	23,647	30,509
Committed	117,507	134,514	158,173	181,694	201,488	216,654	220,136	216,040	204,113	211,530
Assigned	1,804,824	1,061,484	841,215	2,190,461	258,737	259,896	794,790	279,960	34,915	15,058,155
Nonspendable	10,787	8,576	-	16,991	19,797	13,063	13,085	232,209	35,879	21,154
Unassigned	2,569,273	2,799,649	3,363,232	4,448,296	10,230,474	17,306,837	18,056,030	24,861,673	37,852,410	23,801,014
Total General Fund	7,856,345	7,326,607	7,220,683	11,473,672	17,487,934	25,344,529	25,438,509	37,220,600	49,845,131	55,105,388
All Other Governmental Funds:										
Restricted for:										
Culture, Parks, and Recreation	779,421	1,090,619	963,378	755,036	1,285,202	1,735,453	2,753,904	4,142,844	5,851,601	4,974,586
Other Nonmajor										
Governmental Funds	182,860	270,593	298,785	389,414	521,064	256,900	396,214	364,813	569,529	331,948
Unassigned	-	-	(27,315)	(31,036)	(41,125)	(52,360)	(52,495)	-	-	-
Nonspendable	74	-	-	-	1,315	1,088	1,159	4,184	733	157
Total All Other										
Governmental Funds	962,355	1,361,212	1,234,848	1,113,414	1,766,456	1,941,081	3,098,782	4,511,841	6,421,863	5,306,691
Total Governmental Funds:										
Restricted	4,316,235	4,683,596	4,120,226	5,780,680	8,583,704	9,540,432	9,504,586	13,138,375	18,138,944	21,320,069
Committed	117,507	134,514	158,172	181,693	201,487	216,653	220,135	216,040	204,113	211,530
Assigned	1,804,824	1,061,484	841,215	2,190,461	258,737	259,896	794,790	279,960	34,915	15,058,155
Nonspendable	10,861	8,576	-	16,991	21,112	14,151	14,243	236,393	36,612	21,311
Unassigned	2,569,273	2,799,649	3,335,918	4,417,260	10,189,349	17,254,477	18,003,536	24,861,673	37,852,410	26,801,014
Total Governmental										
Fund Balances	\$ 8,818,700	\$ 8,687,819	\$ 8,455,531	\$ 12,587,085	\$ 19,254,389	\$ 27,285,609	\$ 28,537,290	\$ 38,732,441	\$ 56,266,994	\$ 63,412,079

**CITY OF FORT LUPTON
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

REVENUES SOURCE	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sales Tax	\$ 3,729,005	\$ 3,834,104	\$ 4,557,103	\$ 4,919,916	\$ 7,775,784	\$ 7,375,839	\$ 7,915,706	\$ 10,795,599	\$ 11,469,545	\$ 7,496,237
Property Tax	1,849,386	1,936,197	2,607,662	2,941,374	4,893,291	8,754,786	6,998,947	7,555,226	8,898,501	9,928,097
Motor Vehicle Tax	27,958	34,726	33,601	34,534	35,046	32,437	35,440	35,706	34,044	32,809
Specific Ownership Tax	190,753	185,546	295,048	310,010	427,260	511,711	437,194	542,843	453,312	417,769
Use Tax	133,461	565,127	400,496	341,572	341,572	1,168,430	341,572	1,458,794	2,125,108	1,358,849
 Total Revenues	 <u>\$ 5,930,563</u>	 <u>\$ 6,555,700</u>	 <u>\$ 7,893,910</u>	 <u>\$ 8,547,406</u>	 <u>\$ 13,472,953</u>	 <u>\$ 17,843,203</u>	 <u>\$ 15,728,859</u>	 <u>\$ 20,388,168</u>	 <u>\$ 22,980,510</u>	 <u>\$ 19,233,761</u>

**CITY OF FORT LUPTON
SALES TAX BY CATEGORY
LAST TEN FISCAL YEARS**

REVENUES SOURCE	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Motor Vehicles	\$ 612,699	\$ 812,825	\$ 1,005,080	\$ 896,505	\$ 1,061,388	\$ 923,765	\$ 1,178,342	\$ 1,251,786	\$ 1,390,222	\$1,320,249
Hotels and Motels	28,364	34,043	40,552	52,020	48,047	23,188	30,626	34,269	20,340	28,038
Restaurant	476,114	480,344	561,422	574,112	613,867	512,929	533,265	592,322	729,010	692,014
Food and Grocery	570,364	601,844	617,134	651,331	693,775	844,700	811,560	941,375	990,632	1,047,363
Gas Stations and Convenience	58,186	51,696	67,424	46,067	66,338	95,891	201,123	144,437	119,457	103,491
Utilities	447,897	405,310	465,782	443,482	415,158	443,882	456,482	638,957	531,499	817,095
Liquor and Beer	163,093	158,144	144,442	109,681	107,113	165,025	176,225	181,846	182,943	198,561
Auto	144,766	187,348	203,472	210,980	465,400	193,490	67,110	384,100	374,516	364,279
Retail	291,123	284,504	338,166	574,235	619,378	1,247,829	1,540,248	1,731,813	2,129,426	2,300,347
Other	841,305	652,026	976,195	1,229,404	2,941,035	2,563,688	2,431,251	4,325,174	4,354,900	4,227,399
Wholesale	95,092	166,019	137,435	132,098	744,286	361,452	489,473	569,521	646,599	665,870
Total Revenues	<u>\$ 3,729,003</u>	<u>\$ 3,834,103</u>	<u>\$ 4,557,104</u>	<u>\$ 4,919,915</u>	<u>\$ 7,775,785</u>	<u>\$ 7,375,839</u>	<u>\$ 7,915,705</u>	<u>\$ 10,795,600</u>	<u>\$ 11,469,544</u>	<u>\$ 11,764,706</u>

**CITY OF FORT LUPTON
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil and Gas Property	Vacant Land	Other	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2024	\$75,425,480	\$58,091,390	\$44,088,860	\$662,650	\$54,093,320	\$3,956,040	\$87,616,900	\$33,210,770	\$323,934,640	36.36 %	\$1,728,152,865	0.19 %
2023	76,484,020	54,981,920	42,996,240	659,310	101,593,230	9,553,940	75,266,860	31,667,060	361,535,520	35.20	1,854,178,598	19.50
2022	55,270,310	41,271,090	32,644,940	590,000	69,240,190	3,299,260	84,482,590	26,571,389	286,798,380	37.17	1,452,821,215	19.74
2021	51,921,100	43,035,370	18,680,430	646,260	35,556,720	1,976,200	76,921,020	25,665,200	203,071,900	45.17	1,183,399,996	17.16
2020	46,023,640	32,685,120	20,670,600	684,590	97,971,710	1,234,890	70,294,720	24,802,440	244,762,830	35.61	1,120,203,384	21.85
2019	44,480,540	32,360,670	21,649,530	606,760	173,346,630	932,900	58,155,400	25,219,950	306,312,480	35.20	1,138,711,852	26.90
2018	35,777,760	23,007,250	23,311,580	599,010	76,034,490	1,432,390	43,339,620	18,518,020	184,984,080	34.29	843,886,344	21.92
2017	35,318,660	21,260,240	21,285,770	599,270	13,953,620	1,637,040	40,782,700	18,680,760	134,837,300	34.86	738,102,106	18.27
2016	26,189,080	30,797,040	15,197,690	559,230	27,856,950	1,019,480	21,871,800	16,490,750	123,491,270	30.77	604,356,199	20.43
2015	25,956,340	25,005,200	13,447,860	547,520	7,426,490	1,013,950	43,833,530	16,308,230	117,230,890	28.98	569,925,138	20.57

**CITY OF FORT LUPTON
PROPERTY TAX OVERLAPPING MILL LEVEY
LAST TEN FISCAL YEARS**

Levy Year Rates (In Millions)	City of Fort Lupton	Weld County	School District RE8	School District RE1 - Gilcrest	Fort Lupton Fire Protection District	Fort Lupton Fire Bond (2022)	Platteville- Gilcrest Fire Protection District	High Plains Library District	Aims Junior College	Central CO Water Conservancy District (CCW)	Central CO Water Sub District (CCS)	Central COLO Water Well (CCA)
2024	42.353	15.956	18.508	16.021	9.446	-	7.292	3.179	6.305	1.017	1.507	9.002
2023	36.359	12.024	17.197	13.302	9.592	-	6.782	3.196	6.336	0.891	1.300	9.153
2022	35.202	12.024	17.197	13.302	-	-	6.782	3.196	6.336	0.891	1.300	9.153
2021	37.167	15.038	18.336	16.687	-	-	6.890	3.181	6.307	1.068	1.582	9.000
2020	45.166	15.038	19.782	17.187	1.483	1.483	8.656	3.197	6.342	1.404	2.189	9.304
2019	35.611	15.038	18.526	-	0.362	0.362	-	3.181	6.305	1.156	2.151	-
2018	35.195	15.038	18.313	-	0.350	0.350	-	3.177	6.299	1.266	2.279	-
2017	34.293	15.038	19.480	-	0.459	0.459	-	3.252	6.299	2.739	1.540	-
2016	34.859	15.800	22.066	-	0.643	0.643	-	3.256	6.317	1.800	1.353	-
2015	30.766	15.800	21.379	-	0.583	0.583	-	3.271	6.308	2.004	1.583	-

Collection Year												
2024	\$ 11,539,890	\$ 296,694,824	\$ 30,480,499	\$ 30,480,499	\$ 14,815,991	\$ -	\$ 8,992,631	\$ 68,597,548	\$ 130,080,532	\$ 6,380,517	\$ 7,088,025	\$ 4,113,646
2023	10,483,051	282,193,213	28,357,295	26,440,294	12,629,979	-	8,369,643	52,507,692	96,923,179	5,778,688	446,207	2,500,457
2022	8,992,424	179,977,118	21,650,296	17,109,082	9,554,674	514,028	6,688,404	33,379,112	63,424,288	4,823,271	435,824	1,852,582
2021	8,716,249	229,792,698	27,573,615	-	13,070,607	521,114	-	43,496,780	80,501,866	5,601,703	7,628,203	-
2020	10,780,668	236,584,542	30,309,888	-	13,470,128	519,811	-	44,758,168	83,976,471	5,446,707	7,682,991	-
2019	6,343,659	176,907,467	25,109,912	-	2,292,872	517,178	-	34,143,774	63,192,368	7,229,014	5,109,509	-
2018	3,983,719	148,537,875	18,258,636	-	6,843,482	469,790	-	27,601,362	50,201,101	5,318,901	3,053,071	-
2017	3,494,062	144,600,784	17,045,041	-	8,254,682	560,723	-	27,357,041	48,394,130	3,587,505	1,888,521	-
2016	3,054,021	183,013,032	26,960,036	-	7,643,985	849,363	-	34,908,644	64,060,720	6,327,916	3,031,112	-
2015	2,565,707	143,469,905	13,322,589	-	4,644,634	620,524	-	27,485,416	50,998,267	5,614,025	2,705,691	-

**CITY OF FORT LUPTON
PROPERTY TAX OVERLAPPING MILL LEVEY (CONTINUED)
FISCAL YEARS 2015-2024**

Levy Year Rates (In Millions)	Northern CO Water Conservancy District (NCW)	Cottonwood Green District #1	Cottonwood Green District #2	Cottonwood Green District #3	Cottonwood Green District #4	Cottonwood Green District #5	Cottonwood Conner Metropolitan District	Cottonwood Thermo Metropolitan District	Cottonwood Townhomes Metropolitan District	Lupton Village Commercial Metropolitan District	Lupton Village Residential Metropolitan District	Mountain Sky Metropolitan District
2024	1.000	-	72.677	-	-	52.030	-	-	62.187	55.277	81.871	90.742
2023	1.000	-	73.555	-	-	55.783	-	-	-	55.277	69.004	88.632
2022	1.000	-	73.555	-	-	55.783	-	-	-	55.277	69.004	88.632
2021	1.000	-	70.000	-	-	55.783	-	-	-	-	65.405	72.386
2020	1.000	-	55.664	-	-	55.664	-	-	-	55.277	65.453	60.042
2019	1.000	43.000	43.000	-	-	55.664	-	-	-	55.277	55.277	60.000
2018	1.000	43.000	43.000	-	-	43.000	-	-	-	-	-	60.000
2017	1.000	43.000	43.000	43.000	43.000	43.000	-	-	-	-	-	50.000
2016	1.000	43.000	43.000	43.000	43.000	43.000	-	-	-	-	-	-
2015	1.000	43.000	43.000	43.000	43.000	43.000	-	-	-	-	-	-

Collection Year												
2024	\$ 16,072,650	\$ -	\$ 165,260	\$ -	\$ -	\$ 5,766	\$ -	\$ -	\$ -	\$ 622,523	\$ 296,076	\$ 1,242,396
2023	12,047,315	-	50,742	-	-	4,994	-	-	-	-	61,334	741,098
2022	8,034,505	-	7,096	-	-	6,634	-	-	-	304,968	3,065	258,731
2021	9,699,856	1,673	8,323	-	-	5,818	-	-	-	1,350,198	305	688,642
2020	-	1,726	6,984	-	-	4,523	-	-	-	-	-	1,968,743
2019	7,748,887	1,694	4,946	4,946	4,946	5,061	-	-	-	-	-	1,640
2018	6,209,066	-	-	-	-	5,010	-	-	-	-	-	-
2017	5,600,144	-	-	-	-	4,210	-	-	-	-	-	-
2016	5,983,037	-	-	-	-	10,992	-	-	-	-	-	-
2015	4,821,505	-	-	-	-	12,475	-	-	-	-	-	-

**CITY OF FORT LUPTON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 30,	Tax Levy	Year Collected	Tax Collected	Percent of Levy Collected	Delinquent Tax Collection	Total Collection	Percent of Total Tax Collected
2024	\$11,960,239	2025	\$ -	- %	\$ -	\$ -	- %
2023	11,315,054	2024	11,765,386	100	450,332	11,315,054	104
2022	10,121,583	2023	10,128,611	100	5,250	9,036,358	89
2021	8,992,424	2022	9,034,580	100	1,778	9,036,358	100
2020	8,716,249	2021	8,627,010	99	-	8,627,010	99
2019	10,780,668	2020	10,685,856	99	-	10,685,856	99
2018	6,343,659	2019	6,256,971	99	1,900	6,258,871	100
2017	3,983,719	2018	4,000,545	100	458	4,001,003	91
2016	3,494,062	2017	3,181,719	91	(51)	3,181,667	95
2015	3,054,021	2016	2,915,053	95	(5,137)	2,909,916	111

**CITY OF FORT LUPTON
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

Taxpayer	City of Fort Upton			Weld County		
	Taxable Assessed Value	Rank	Percent of Total Assessed Value	Taxable Assessed Value	Rank	Percent of Total Assessed Value
Tri-State Cogeneration Partnership	37,836,100	1	27%			
Kerr-McGee Oil and Gas Onshore LP	35,140,404	2	25%	\$ 1,920,517,190	3	19%
Kerr-McGee Gathering, LLC	16,588,020	3	12%	461,179,920	8	5%
Basalite Building Products, LLC	15,207,790	4	11%			
Golden Aluminum, Inc.	11,390,650	5	8%			
Public Service Co. of Colo (Xcel)	8,161,650	6	6%			
Energy Property Partners, LLC	5,064,380	7	4%			
GEP Investment, Inc.	5,155,610	8	4%			
Murray Family Farms, LLC	3,539,100	9	3%			
United Power, Inc.	3,051,370	10	2%			
Noble Energy, Inc.				2,400,310,220	1	24%
PDC Energy, Inc.				2,296,789,060	2	23%
Verdad Resources, LLC				740,624,880	4	7%
Extraction Oil and Gas, LLC				543,988,100	5	5%
Bayswater Exploration and Production, LLC				535,497,460	6	5%
Civitas Resources, Inc.				520,891,470	7	5%
Crestone Peak Resources, LP				352,927,150	9	3%
Public Service Co. of Colo (Xcel)				324,437,000	10	3%
Total Taxable Grand List	\$ 141,135,074			\$10,097,162,450		

**CITY OF FORT LUPTON
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government	Weld County Percentage of Personal Income
	Certificates of Participation	Capital Leases	Revenue Bonded Debt	General Obligation Bond	Construction Loans	Capital Leases		
2024	\$ 4,820,935	\$ 657,961	\$ 30,863,817	\$ 10,381,615	\$ 21,608,274	\$ 1,565,555	\$ 69,898,157	0.475 %
2023	5,251,881	887,617	32,848,718	10,382,534	22,081,795	1,820,491	73,273,035	0.480
2022	-	1,038,673	34,763,973	-	1,923,650	2,065,702	39,791,998	0.297
2021	-	-	35,330,693	500,000	1,923,650	-	37,754,344	0.292
2020	-	-	36,135,917	963,911	2,043,496	-	39,143,324	0.292
2019	-	-	36,563,675	1,412,821	2,043,496	-	40,019,993	0.357
2018	-	-	31,487,392	1,851,732	2,160,992	208,015	35,708,131	0.337
2017	-	-	31,727,647	2,285,643	2,276,184	289,931	36,579,405	0.341
2016	-	-	11,670,282	2,714,554	2,389,118	-	16,773,954	0.201
2015	-	-	12,344,045	3,128,466	2,499,833	-	17,972,344	0.215

CITY OF FORT LUPTON
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City Population	Estimated Actual Value	General Obligation Bond	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2024	9,721	\$ 1,728,152,865	\$ 15,202,550	0.01 %	\$ 1,614
2023	9,421	1,452,821,215	15,634,415	1.08	1,660
2022	9,421	1,183,399,996	-	-	-
2021	8,521	1,120,203,384	-	-	-
2020	7,971	1,138,711,852	963,911	0.08	117
2019	7,971	843,886,344	1,412,821	0.17	177
2018	7,971	738,102,106	1,851,732	0.25	232
2017	7,651	604,356,199	2,285,643	0.38	287
2016	7,651	569,925,138	2,714,554	0.48	355
2015	7,377	471,538,955	3,128,466	0.66	409

**CITY OF FORT LUPTON
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Utility Revenues	Less:	Net Available Revenue	Debt Service		Coverage
		Operating Expenditures		Principal	Interest	
2024	\$ 11,365,740	\$ 4,767,685	\$ 6,598,055	\$ 1,323,414	\$ 1,955,683	2.01
2023	11,768,763	3,621,107	8,147,656	1,086,749	2,022,491	2.62
2022	7,337,801	3,358,139	3,979,663	571,165	1,482,573	1.94
2021	6,717,994	4,903,624	1,814,370	484,367	1,501,472	0.91
2020	9,884,820	4,488,354	5,396,466	427,349	1,519,396	2.77
2019	5,835,302	5,182,411	652,891	408,037	1,534,917	0.34
2018	4,831,577	4,948,785	(117,208)	248,113	1,499,777	(0.07)
2017	4,966,162	2,660,005	2,306,157	640,000	127,476	3.00
2016	4,549,974	3,333,880	1,216,094	711,902	94,826	1.51
2015	5,218,152	3,778,458	1,439,694	573,512	104,726	2.12

CITY OF FORT LUPTON
DIRECT AND OVERLAPPING GENERAL BONDED DEBT
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

	2024 Assessed Valuation	Outstanding General Obligation Debt	Percentage Applicable to the City	Share of Debt Applicable to the City
Overlapping General Obligation Bond Debt				
Aims Junior College	\$ 2,539,645,260	\$ 2,805,000	2.59%	\$ 72,650
Central Colorado Water Conservancy District	6,544,024,866	33,255,000	2.59%	861,305
Central Colorado Water Conservancy District Groundwater Management Subdistrict	4,262,564,994	5,470,000	3.13%	171,211
Central Colorado Water Conservancy District Well Augmentation Subdistrict	316,613,690	12,640,000	0.12%	15,168
Cottonwood Green Metro District No. 2	724,890	9,720,000	100%	9,720,000
Platteville-Gilcrest Fire Protection District	1,325,955,600	14,865,000	100%	14,865,000
Lupton Village Residential Metro District	937,607	10,130,000	100%	10,130,000
Mountain Sky Metropolitan District	10,238,140	4,862,000	100%	4,862,000
Murata Farms Residential Metro District	39,550	8,410,000	100%	8,410,000
Northern Colorado Water Conservancy District	28,420,456,915	82,230,000	0.77%	633,171
Vincent Village Metropolitan District	1,725,530	1,970,000	100%	1,970,000
Vista Meadows Metropolitan District	19,920	10,443,000	100%	10,443,000
Weld County School District RE-1	1,584,312,239	33,020,000	0.02%	6,604
Weld County School District RE-8	1,499,728,107	43,285,000	15.35%	6,644,248

**CITY OF FORT LUPTON
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	City Population	Weld County		
		Personal Income Amounts (Expressed in Billions)	Per Capita Income	Unemployment Rate
2024	9,721	\$ 18.1	\$ 62,532	3.30 %
2023	9,421	17.3	56,553	3.00
2022	8,921	21.0	56,553	3.00
2021	8,521	12.7	52,054	5.70
2020	8,247	15.3	50,198	7.20
2019	9,421	14.7	46,172	3.00
2018	7,971	12.5	44,080	2.20
2017	7,971	11.2	42,701	3.40
2016	7,783	10.6	42,787	3.80
2015	7,783	10.7	27,047	3.80

**CITY OF FORT LUPTON
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total Employment</u>
Halliburton	523	1	0.17 %
Weld School RE-8	340	2	0.11 %
City of Fort Lupton	229	3	0.07 %
Golden Aluminum	176	4	0.06 %
Nelson Pipeline Construction, LLC	150	5	0.05 %
Summit Body Works	128	6	0.04 %
Salud Clinic	126	7	0.04 %
Safeway	117	8	0.04 %
Charm Industrial, Inc.	116	9	0.04 %
J.J. Kane Associates, Inc.	100	10	0.03 %

CITY OF FORT LUPTON
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	21.69	23.68	25.97	26.34	25.59	26.53	23.10	24.10	27.10	28.10
Building and Grounds	12.95	13.70	14.40	12.59	12.59	11.83	8.41	8.41	7.91	13.60
Public Works	12.00	12.00	13.00	14.50	14.50	15.00	15.00	17.00	18.00	19.00
Public Safety	15.00	15.00	17.00	17.00	20.00	25.75	30.21	32.21	35.21	37.40
Culture, Parks, and Recreation	2.57	3.49	3.32	3.77	3.77	2.91	6.61	6.61	6.61	5.24
Utility	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Recreation Center	11.30	10.49	12.22	15.01	15.01	17.55	20.12	21.08	22.68	21.56
Golf Course	10.53	13.53	13.91	12.42	14.14	14.84	15.38	16.38	18.72	21.81
Library	11.65	12.85	12.85	12.85	11.73	11.90	11.90	12.10	14.80	13.60
Total	98.69	105.74	113.67	115.48	118.33	127.31	130.73	137.89	151.03	160.31

**CITY OF FORT LUPTON
MISCELLANEOUS STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Number of Employees:	
Nonexempt (Hourly)	154
Exempt (Salary)	25
Area (Square Miles)	14.29
Miles of Streets Maintained	95.825
Population (Est.)	10,604
Elected Officials	7
Employees (Full-Time Equivalents)	160.3
Police Protection:	
Number of Stations	1
Number of Sworn Police Officers	29
Municipal Water and Sewer:	
Miles of Water Mains	72.43
Miles of Sanitary Sewer Mains	39.59
Miles of Storm Sewer Mains	15.2
Municipal Parks and Recreation:	
Number of Indoor Swimming Pools	2
Parks (Developed/Undeveloped)	12/1
Services not Included in the Reporting Entity:	
Fire Protection (Fort Lupton Fire Protection District)	3
Electricity Services (United Power)	-
Natural Gas Service (Xcel Energy)	-
School District - Weld County School District RE-8	4

COMPLIANCE SECTION

**CITY OF FORT LUPTON
LOCAL HIGHWAY FINANCE REPORT
YEAR ENDED DECEMBER 31, 2024**

Form Approved
OMB No. 2125-0032

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
This Information From The Records Of: CITY OF FORT LUPTON	YEAR ENDING (mm/yy): 12/2024
Prepared By: CASSIE FRANCONI - CFRANCONI@FORTLUPTONCO.GOV	

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ (1,148,614.00)
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 195,773.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ (75,887.00)
2. General fund appropriations	\$ -	b. Snow and ice removal	\$ (3,530.00)
3. Other local imposts (from page 2)	\$ 2,162,784.00	c. Other	\$ (30,981.00)
4. Miscellaneous local receipts (from page 2)	\$ 498,552.00	d. Total (a. through c.)	\$ (110,398.00)
5. Transfers from toll facilities	\$ -	4. General administration & miscellaneous	\$ -
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 1,828,735.00
a. Bonds - Original Issues	\$ -	6. Total (1 through 5)	\$ 765,496.00
b. Bonds - Refunding Issues	\$ -	B. Debt service on local obligations:	
c. Notes	\$ -	1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ -
7. Total (1 through 6)	\$ 2,661,336.00	b. Redemption	\$ -
B. Private Contributions	\$ -	c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 673,917.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 3,335,253.00	b. Redemption	\$ -
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	\$ -
		D. Payments to toll facilities	\$ -
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 765,496.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	\$ -			\$ -
1. Bonds (Refunding Portion)	\$ -			\$ -
B. Notes (Total)	\$ -			\$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ (1,963,490.00)	\$ 3,335,253.00	\$ 765,496.00	\$ 606,267.00	\$ -

Notes and Comments:

**CITY OF FORT LUPTON
LOCAL HIGHWAY FINANCE REPORT (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/2024	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
	AMOUNT		AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	266,877.00
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 16,061.00
1. Sales Taxes	\$ 1,470,588.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 175,402.00	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	\$ 60,284.00
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 516,794.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 2,162,784.00	h. Other	\$ 155,330.00
c. Total (a. + b.)	\$ 2,162,784.00	i. Total (a. through h.)	\$ 498,552.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	
	AMOUNT		AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 391,108.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 32,809.00	d. Federal Transit Administration	
d. DOLA Grant	\$ 250,000.00	e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	\$ -
f. Total (a. through e.)	\$ 282,809.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 673,917.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	
III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
			TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ 74,372.00
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ (1,222,986.00)
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ (1,222,986.00)	\$ (1,222,986.00)
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ (1,148,614.00)	\$ (1,148,614.00)
<i>(Carry forward to page 1)</i>			
Notes and Comments:			



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council
City of Fort Lupton
Fort Lupton, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fort Lupton (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

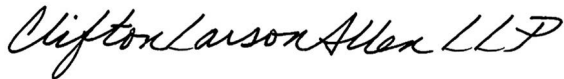
As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Denver, Colorado
June 30, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

City Council
City of Fort Lupton
Fort Lupton, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Fort Lupton (the City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Denver, Colorado
June 30, 2025

**CITY OF FORT LUPTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Amount Provided to Subrecipients	Total Federal Expenditures
Department of Interior				
Mineral Leasing Act:				
Passed through State of Colorado Department of Local Affairs:				
Minerals Leasing Act	15.437	None Provided	\$ -	\$ 207,870
Department of Agriculture				
Direct Program:				
Water and Waste Disposals Systems for Rural Communities	10.760	None Provided	-	281,828
Department of Treasury				
Pass-Through Department of Local Affairs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
	21.027	None Provided	-	2,090,476
Department of Justice				
Passed through State of Colorado Department of Health and Services:				
Public Safety Partnership and Community Policing Grants	16.710	None Provided	-	23,877
Bulletproof Vest Partnership	16.607	None Provided	-	4,051
Total Department of Justice			<u>-</u>	<u>27,928</u>
Federal Emergency Management Agency (FEMA)				
Passed through State of Colorado Division of Homeland Security and Emergency Management:				
Disaster Grants	97.036	None Provided	-	36,873
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 2,644,975</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF FORT LUPTON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Fort Lupton under programs of the federal government for the year ended December 31, 2024. No federal financial assistance was passed through to other entities. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Fort Lupton, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Fort Lupton.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The City of Fort Lupton has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**CITY OF FORT LUPTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

Assistance Listing Number(s)

21.027

Name of Federal Program or Cluster

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 yes x no

Section II – Financial Statement Findings

2024 – 001

Type of Finding: Material Weakness in Internal Control over the Financial Reporting Process

Condition: Grant revenue of \$790,000 was erroneously posted to the Culture, Parks and Recreation Fund. This resulted in an adjusting journal entry to reverse the revenue posting and properly record it in the General Fund.

Criteria or Specific Requirement: Established internal control procedures for recording of grant revenue in accordance with generally accepted accounting principles (GAAP) helps ensure that timely, accurate, and useful information is available to management and those charged with governance.

Effect: Not having proper controls over revenue reporting could result in inaccurate account balances and material adjustments to funds.

Cause: Internal controls were not in place to ensure that the grant revenue postings were accurately recorded and classified in the proper fund.

Repeat Finding: No.

Recommendation: Management should implement a grant revenue receipting process to ensure that grant revenue postings are accurately posted to the general ledger.

Views of Responsible Officials and Planned Corrective Actions: The situation with this grant made it unclear how the coding should be handled. Expense were budgeted in and were paid out of the general fund, the culture parks and recreation sales tax fund and the conservation trust fund. The project itself was managed by the recreation center director. To ensure all coding for grant revenue in the future will be reviewed and approved by the project manager and the finance director with alternate approval by the city administrator if one of the other two are unavailable.

Section III – Findings and Questioned Costs – Major Federal Programs

2024 – 002

Federal Agency: Department of the Treasury

Federal Program Name: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Pass-Through Agency: Colorado Department of Local Affairs

Pass-Through Number(s): None

Award Period: 1/1/2024 – 12/31/2024

Compliance Requirement: Suspension and Debarment

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Criteria or Specific Requirement: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a passthrough entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at <https://governmentcontractregistration.com/sam-registration-and-renewal/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Condition: We noted that the City does have policies and procedures in place for compliance with suspension and debarment requirements; however, we noted that the vendor selected for testing had not been checked to verify they were not suspended or debarred prior to the services provided.

Questioned Costs: None.

Context: The City does have a policy and procedure to check a vendor’s suspension and debarment status either by checking the active record on SAM.gov, collecting a certification from the proposed entity, and/or adding a clause or condition to the covered transaction with that entity. The City was not able to provide verification, prior to procurement, of the suspension and debarment status through review of SAM.gov, providing a certification from the vendor, or through a clause or condition within the signed contract. We did verify this vendor was not currently suspended or debarred through review of SAM.gov.

Cause: The City did not verify the vendor tested was in compliance with suspension and debarment requirements prior to the services provided.

Effect: The City could make a payment to a vendor or subrecipient who is suspended and/or debarred from participating in federal programs.

Repeat Finding: No

Recommendation: The City should update all contracts to include a suspension and debarment paragraph to verify status with every renewal, request certification from the proposed entity, or verify vendor through SAM.gov prior to utilizing vendor services.

Views of Responsible Officials and Planned Corrective Actions: The finance director and the public works director have already implemented a process to verify the SAM status of all contractors on all projects regardless of funding.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.